

THE ONE HUNDRED AND SIXTEENTH DAY

CARSON CITY (Thursday), June 1, 2023

Senate called to order at 9:13 p.m.

President pro Tempore Spearman presiding.

Roll called.

All present.

Prayer by Senator Jeff Stone.

As we lift our eyes unto the beautiful mountains that surround this building, where does our help come from? Our help comes from the Holy One, Creator of the heaven and the earth.

Let us pray together.

Holy God, please give us divine wisdom to lead this State. We pray that we would serve and revere You in our words and actions. We humbly ask that You grant us grace, to know how to unify all that serve in this legislature. You do not recognize us as Democrats or Republicans but rather as Your divine creation for us to embrace and respect all life, to work, to help and to heal others, especially those that cannot help themselves.

We have been entrusted as Your stewards to do the right for all Nevadans, young and old, individuals and families. We are facing immense challenges. Please grant us divine wisdom to navigate our State through the uncertain pathways that may lie ahead. We cherish this brief time we have on earth and the shared time together in the Senate Chamber, now etched into the fabric of our lives.

Please help us to remember the more important things that matter in our lives as we all go our separate ways and travel safely to our homes to be reunited with our loved ones. We seek Your guidance and discernment, Holy Father.

And we all say,

AMEN.

Pledge of Allegiance to the Flag.

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

REPORTS OF COMMITTEE

Madam President pro Tempore:

Your Committee on Commerce and Labor, to which were referred Assembly Bills Nos. 153, 270, 503, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

PAT SPEARMAN, *Chair*

Madam President pro Tempore:

Your Committee on Finance, to which were referred Senate Bills Nos. 98, 189, 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. 126, 143, 162, 225, 233, 342, 350, 413, 416, 435, 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*

Madam President pro Tempore:

Your Committee on Health and Human Services, to which were referred Assembly Bills Nos. 130, 135, 277, 389, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

FABIAN DONATE, *Chair*

Madam President pro Tempore:

Your Committee on Judiciary, to which were referred Assembly Bills Nos. 50, 260, 462, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MELANIE SCHEIBLE, *Chair*

MESSAGES FROM THE GOVERNOR

OFFICE OF THE GOVERNOR
101 NORTH CARSON STREET
CARSON CITY, NEVADA 89701

June 1, 2023

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Senate Bill 133 of the 82nd Legislative Session

Dear Leader Cannizzaro:

I am returning Senate Bill No. 133 to the 82nd Session of the Nevada Legislature without my approval, accompanied by my letters of objections [*sic*].

Sincerely,
Joe Lombardo
Governor of Nevada

June 1, 2023

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Senate Bill 148 of the 82nd Legislative Session

Dear Leader Cannizzaro:

I am returning Senate Bill No. 148 to the 82nd Session of the Nevada Legislature without my approval, accompanied by my letters of objections [*sic*].

Sincerely,
Joe Lombardo
Governor of Nevada

June 1, 2023

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Senate Bill 299 of the 82nd Legislative Session

Dear Leader Cannizzaro:

I am returning Senate Bill No. 299 to the 82nd Session of the Nevada Legislature without my approval, accompanied by my letters of objections [*sic*].

Sincerely,
Joe Lombardo
Governor of Nevada

June 1, 2023

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Senate Bill 340 of the 82nd Legislative Session

Dear Leader Cannizzaro:

I am returning Senate Bill No. 340 to the 82nd Session of the Nevada Legislature without my approval, accompanied by my letters of objections [*sic*].

Sincerely,
Joe Lombardo
Governor of Nevada

June 1, 2023

The Honorable Nicole Cannizzaro
Majority Leader of the Nevada State Senate
Nevada Legislature
401 South Carson Street
Carson City, Nevada 89701

RE: Senate Bill 404 of the 82nd Legislative Session

Dear Leader Cannizzaro:

I am returning Senate Bill No. 404 to the 82nd Session of the Nevada Legislature without my approval, accompanied by my letters of objections [*sic*].

Sincerely,
Joe Lombardo
Governor of Nevada

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, May 31, 2023

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendments Nos. 701, 821 to Assembly Bill No. 285; Senate Amendment No. 851 to Assembly Bill No. 330.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

ASSEMBLY CHAMBER, Carson City, June 1, 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. 349.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Cannizzaro moved that the following persons be accepted as accredited press representatives, and that they be allowed the use of appropriate media facilities: LAS VEGAS REVIEW JOURNAL: Jessica Hill; THE NEVADA INDEPENDENT: Naoka Foreman.

Motion carried.

Senator Cannizzaro moved that consideration of vetoed Senate Bills Nos. 133, 148, 299, 340 and 404 of the 82nd Session be made a Special Order of Business for Monday, June 5, 2023, at 11:15 a.m.

Motion carried.

Senator Cannizzaro moved that Assembly Bills Nos. 41 and 448 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

Senator Doñate approved the addition of Senator Buck as a sponsor of Senate Bill No. 221.

INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 510—AN ACT relating to public employees; making appropriations for the implementation of certain collective bargaining agreements; and providing other matters properly relating thereto.

Senator Dondero Loop moved that the bill be referred to the Committee on Finance.

Motion carried.

Assembly Bill No. 349.

Senator Lange moved that the bill be referred to the Committee on Natural Resources.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 469.

Bill read third time.

Remarks by Senator Neal.

Senate Bill No. 469 appropriates \$17,680 in General Funds to the Nevada Gaming Commission for employee training.

Roll call on Senate Bill No. 469:

YEAS—21.

NAYS—None.

Senate Bill No. 469 having received a constitutional majority, Madam President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 492.

Bill read third time.

Remarks by Senator Goicoechea.

Senate Bill No. 492, as amended, makes General Fund appropriations totaling \$15,357,503 to various divisions within the State Department of Conservation and Natural Resources for the 2023-2025 biennium to replace field and office equipment, including \$1,513,931 for information technology hardware and associated software; \$8,548,572 for fire engines, vehicles and operational equipment; and \$5,295,000 for a replacement helicopter for fire suppression.

Roll call on Senate Bill No. 492:

YEAS—21.

NAYS—None.

Senate Bill No. 492 having received a constitutional majority, Madam President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 14.

The following Assembly amendment was read:

Amendment No. 633.

SUMMARY—Makes various changes related to gaming. (BDR 41-259)

AN ACT relating to gaming; authorizing the Chair of the Nevada Gaming Control Board to administratively approve certain persons to temporarily engage in certain gaming activities or receive proceeds therefrom without procuring a state gaming license; revising the definition of "gaming employee"; revising provisions relating to delinquent debt owed to the Board that is determined to be impossible or impracticable to collect; revising provisions concerning the general powers and duties of the Board and the Nevada Gaming Commission; ~~expanding the activities that are included in the operation of a race book or sports pool;~~ authorizing persons aggrieved by final decisions or orders of the Commission relating to disciplinary matters to obtain a judicial review of a decision or order in the district court in and for Carson City; providing that any person authorized to receive a share of the revenue from a slot machine operated on the premises of a gaming licensee is liable for his or her proportionate share of a license fee for the slot machines; including additional fees for which prepayment credit may be granted with regard to continuing operations; authorizing the Commission to adopt certain regulations defining the scope of the power and authority of the Board and Commission relating to hosting centers, interactive gaming service providers and service providers; exempting persons who accept employment or an independent contract with the Commission as a Commissioner appointed by the Governor from certain provisions of law governing the employment of retired public employees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prohibits, in general, a person from engaging in certain

activities relating to gaming without procuring a state gaming license. (NRS 463.160, 463.162, 463.650) Section 1 of this bill authorizes the Chair of the Nevada Gaming Control Board, in the sole and absolute discretion of the Chair, to administratively approve certain persons associated with a holder of a license issued by the Nevada Gaming Commission who is deceased or who has been judicially declared to be disabled to temporarily engage in such activities or receive proceeds therefrom without procuring a state gaming license. Section 1 authorizes the Chair to condition or limit an administrative approval in any manner he or she deems necessary and appropriate. Section 1 further provides that a person who is administratively approved by the Chair to temporarily engage in certain gaming activities or receive proceeds therefrom without procuring a state gaming license is: (1) required to comply with the provisions of law and regulations governing gaming; and (2) subject to disciplinary action for any violation of such provisions. Sections 3, 4 and 9 of this bill make conforming changes by referring to such an exception for temporary administrative approval in the applicable provisions of law governing the gaming activities for which a state gaming license is otherwise required.

Existing law requires gaming employees to be registered with the Board and defines the term "gaming employee." (NRS 463.0157, 463.335) Section 1.5 of this bill revises the definition of the term "gaming employee" to clarify which persons are required to be registered with the Board.

Existing law requires, in general, state agencies to coordinate their debt collection efforts through the State Controller and assign debts to the State Controller for collection. (NRS 353C.195) If the State Controller determines that it is impossible or impractical to collect a debt, he or she is authorized to request that the State Board of Examiners designate the debt as a bad debt. (NRS 353C.220) Existing law requires the Nevada Gaming Control Board to: (1) prepare and furnish to the Commission an annual report that shows all debts owed to the Board that became or remained delinquent during the preceding year and includes the amount of any delinquent debt that the Board determines is impossible or impractical to collect; and (2) request that the State Board of Examiners designate any amount of delinquent debt determined to be impossible or impractical to collect as bad debt. (NRS 463.123) Section 2 of this bill authorizes the Nevada Gaming Control Board to designate as bad debt any amount of debt it assigned to the State Controller for collection that the Board determines is impossible or impractical to collect instead of having to request that the State Board of Examiners designate the debt as a bad debt. Section 2 also provides that if the State Controller determines that it is impossible or impractical to collect a debt assigned by the Board, he or she is required to request that the State Board of Examiners designate the debt as a bad debt. Section 11 of this bill makes a conforming change to refer to the exception that the State Controller is required, instead of authorized, to request that the State Board of Examiners designate the debt as a bad debt under section 2.

Existing law establishes the general powers and duties of the Board and Commission. (NRS 463.140) Section 2.5 of this bill requires that the provisions of law governing gaming that relate to any license, registration, finding of suitability or other approval or authorization be administered by the Board and the Commission. Section 2.5 also establishes an exception to certain authorized actions of the Board, the Commission and their agents.

~~Existing law requires a person to procure and maintain all applicable gaming licenses and registrations in order to operate a race book or sports pool and sets forth the activities that are included in the operation of a race book or sports pool. (NRS 463.160) Section 3 expands such activities that are included in the operation of a race book or sports pool.~~

Existing law authorizes the Board or Commission or certain persons to obtain a judicial determination of any construction or validity arising under certain provisions of law governing gaming or any regulation of the Commission by bringing an action for a declaratory judgment in the: (1) First Judicial District Court of the State of Nevada in and for Carson City; or (2) district court of the district in which the plaintiff resides or does business. (NRS 463.343) Existing law also authorizes any person aggrieved by a final decision or order of the Commission made after a disciplinary hearing or rehearing to obtain a judicial review of the decision or order in the district court of the county in which the petitioner resides or has his, her or its principal place of business. (NRS 463.315) Section 5 of this bill additionally authorizes a person to obtain such a judicial review in the district court in and for Carson City. Section 6 of this bill revises certain language relating to bringing an action for a declaratory judgment to more closely resemble the language used in section 5.

Existing law: (1) requires the Commission to charge and collect a license fee from an applicant for a restricted operation for each slot machine for each quarter year before the Commission issues a state gaming license to the applicant; and (2) establishes when the license fee must be paid. (NRS 463.373) Section 7 of this bill provides that any person who is authorized to receive a share of the revenue from any slot machine that is operated on the premises of a licensee is liable to the licensee for the person's proportionate share of the license fee and is required to remit or credit his or her proportionate share to the licensee on or before certain dates.

Existing law provides that if the Commission approves the issuance of a license for gaming operations at the same location that is currently licensed or, if the license is for the operation of a slot machine route, locations that are currently licensed, the Chairs of the Board and Commission are authorized in certain circumstances to administratively determine that for the purposes of certain fees, the license shall be deemed transferred, the previously licensed operation shall be deemed a continuing operation and credit must be granted for prepaid license fees. (NRS 463.386) Section 8 of this bill includes additional fees for which prepayment credit must be granted with respect to a continuing operation.

Existing law: (1) authorizes the Commission to provide by regulation for the operation and registration of hosting centers and persons associated therewith; and (2) requires such regulations to provide that the premises on which the hosting center is located are subject to the power and authority of the Board and Commission, as though the premises are where gaming is conducted and the hosting center is a gaming licensee. (NRS 463.673) Existing law ~~is~~ similarly: (1) authorizes the Commission to provide by regulation for the licensing of an interactive gaming service provider, the registration of a service provider and the operation of such a service provider or interactive gaming service provider; and (2) requires such regulations to provide that the premises on which an interactive service provider and a service provider conducts its operations are subject to the power and authority of the Board and Commission, as though gaming is conducted on the premises and the interactive gaming service provider or service provider is a gaming licensee. (NRS 463.677) ~~Section~~ Sections 9.1 and 9.3 of this bill, respectively, instead ~~authorizes~~ authorize the Commission to adopt regulations that define the scope of the power and authority of the Board and Commission as it deems appropriate based on the type and function of a hosting center or the specific interactive gaming service provider or service provider. Sections 9.5 and 9.7 of this bill make conforming changes to refer to provisions that have been renumbered by section 9.3.

Existing law establishes provisions concerning the employment of retired public employees and provides that a person who accepts employment or an independent contract with certain entities is exempt from certain provisions of existing law for the duration of the employment or contract. (NRS 286.520) Section 10.5 of this bill also exempts a person who accepts employment or an independent contract with the Commission as a Commissioner appointed by the Governor from such provisions for the duration of the employment or contract.

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

Section 1. Chapter 463 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *The Chair of the Board may, in the sole and absolute discretion of the Chair, administratively approve the spouse, next of kin, personal representative, guardian or heir of a holder of a license issued by the Commission who is deceased or has been judicially declared to be disabled to temporarily engage in any of the activities set forth in subsection 1 of NRS 463.160, subsection 1 of NRS 463.162 or subsection 1 of NRS 463.650 or receive proceeds therefrom without procuring a state gaming license.*

2. *The Chair of the Board may condition or limit an administrative approval issued pursuant to subsection 1 in any manner the Chair deems necessary and appropriate.*

3. *A person who is administratively approved by the Chair of the Board to temporarily engage in any of the activities set forth in subsection 1 of*

NRS 463.160, subsection 1 of NRS 463.162 or subsection 1 of NRS 463.650 or receive proceeds therefrom without procuring a state gaming license:

(a) Shall comply with the provisions of chapter 463 of NRS and all regulations adopted thereunder; and

(b) Is subject to disciplinary action for any violation of those provisions as set forth in NRS 463.310 to 463.318, inclusive.

Sec. 1.5. NRS 463.0157 is hereby amended to read as follows:

463.0157 1. "Gaming employee" means any ~~person connected directly with~~ employee, temporary employee or other representative of an operator of a slot route, the operator of a pari-mutuel system, the operator of an inter-casino linked system or a manufacturer, distributor or disseminator, or ~~with the operation of~~ a gaming establishment licensed to conduct any game, 16 or more slot machines, a race book, sports pool or pari-mutuel wagering, whose job duties pertain to the operation, control or outcome of any gambling game or the access, transport or review of any gaming revenue, including ~~it~~, without limitation:

(a) Accounting or internal auditing personnel who are directly involved in any recordkeeping or the examination of records associated with revenue from gaming;

(b) ~~Boxpersons;~~ Table games personnel;

(c) ~~Cashiers;~~ Cage and counting room personnel;

(d) ~~Change;~~ Slot personnel;

(e) ~~Counting room;~~ Keno personnel;

(f) ~~Dealers;~~ Race book and sports pool personnel;

(g) Employees of a person required by NRS 464.010 to be licensed to operate an off-track pari-mutuel system;

(h) Employees of a person required by NRS 463.430 to be licensed to disseminate information concerning racing and employees of an affiliate of such a person involved in assisting the person in carrying out the duties of the person in this State;

(i) Employees of a person required by paragraph (e) of subsection 1 of NRS 463.160 to be registered to operate as a cash access and wagering instrument service provider;

(j) Employees whose duties are directly involved with the manufacture, repair, sale or distribution of gaming devices, associated equipment when the employer is required by NRS 463.650 to be licensed, cashless wagering systems or interactive gaming systems;

(k) ~~Employees of operators of slot routes who have keys for slot machines or who accept and transport revenue from the slot drop;~~

~~(l)~~ Employees of operators of interactive gaming systems whose duties include the operational or supervisory control of the systems or the games that are part of the systems;

~~(m)~~ (l) Employees of operators of call centers who perform, or who supervise the performance of, the function of receiving and transmitting wagering instructions;

~~[(n)]~~ (m) Employees who have access to the Board's system of records for the purpose of processing the registrations of gaming employees that a licensee is required to perform pursuant to the provisions of this chapter and any regulations adopted pursuant thereto;

~~[(o) Floorpersons;~~

~~[(p)]~~ (n) Information technology personnel who have operational or supervisory control over information technology systems associated with any of the matters related to gaming described in this subsection;

(o) Hosts or other persons empowered to extend credit or complimentary services ~~;~~

~~[(q) Keno runners;~~

~~[(r) Keno writers;~~

~~[(s)]~~ related to gaming;

(p) Machine mechanics;

~~[(t)]~~ (q) Odds makers and line setters;

~~[(u)]~~ (r) Security personnel;

~~[(v)]~~ (s) Shift or pit bosses;

~~[(w)]~~ (t) Shills;

~~[(x)]~~ (u) Supervisors or managers ~~;~~

~~[(y) Ticket writers;~~

~~[(z)]~~ whose duties include the supervision of employees described in this subsection;

(v) Employees of a person required by NRS 463.160 to be licensed to operate an information service;

~~[(aa) Employees of a licensee who have local access and provide management, support, security or disaster recovery services for any hardware or software that is regulated pursuant to the provisions of this chapter and any regulations adopted pursuant thereto;~~

~~[(bb) Temporary or contract employees hired by a licensee to perform a function related to gaming; and~~

~~[(cc)]~~ (w) Club venue employees; and

(x) Other persons whose duties are similar to the classifications set forth in paragraphs (a) to ~~[(bb)]~~ (w), inclusive, as the Commission may from time to time designate by regulation.

2. "Gaming employee" does not include ~~[(barbacks or bartenders)]~~ employees whose duties do not involve gaming activities, ~~[(cocktail servers or other)]~~ persons engaged exclusively in preparing or serving food or beverages ~~;~~

~~3. As used in this section, "local access" means access to hardware or software from within a licensed gaming establishment, hosting center or elsewhere within this State.] or persons involved primarily in the resort or hotel functions of a licensed gaming establishment.~~

Sec. 2. NRS 463.123 is hereby amended to read as follows:

463.123 1. On or before January 15 of each year, the Board shall prepare and furnish to the Commission a report that shows all debts owed to the Board

that became or remained delinquent during the preceding year. The Board shall include in the report the amount of any delinquent debt that the Board determines is impossible or impractical to collect.

2. For any amount of debt the ~~{Nevada Gaming Control}~~ Board *has assigned to the State Controller for collection pursuant to NRS 353C.195 that:*

(a) *The Board determines is impossible or impractical to collect, the ~~{Nevada Gaming Control}~~ Board ~~{shall request that the State Board of Examiners}~~ may designate such amount as a bad debt ~~{. The State Board of Examiners, by an affirmative vote of the majority of the members of the State Board of Examiners, may designate the debt as bad debt if the State Board of Examiners is satisfied that the collection of the debt is impossible or impractical. If the amount of the debt is not more than \$50, the State Board of Examiners may delegate to its Clerk the authority to designate the debt as a bad debt. The Nevada Gaming Control Board may appeal to the State Board of Examiners a denial by the Clerk of a request to designate a debt as a bad debt.~~*

~~—3. Upon the designation of a debt as a bad debt pursuant to this section, the State Board of Examiners or its Clerk shall immediately notify the State Controller thereof. Upon receiving the notification, the State Controller shall direct the removal of the bad debt from the books of account of the State of Nevada. A bad debt that is removed pursuant to this section remains a legal and binding obligation owed by the debtor to the State of Nevada.~~

~~—4. The State Controller shall keep a master file of all debts that are designated as bad debts pursuant to this section. For each such debt, the State Controller shall record the name of the debtor, the amount of the debt, the date on which the debt was incurred and the date on which it was removed from the records and books of account of the State of Nevada, and any other information concerning the debt that the State Controller determines is necessary.} and shall notify the State Controller of such a designation. Upon approval by the Chair of the Board, the bad debt may be removed from the books of the account of the Board.~~

(b) *The State Controller determines is impossible or impractical to collect, the State Controller shall request the State Board of Examiners to designate the debt as a bad debt in accordance with NRS 353C.220.*

Sec. 2.5. NRS 463.140 is hereby amended to read as follows:

463.140 1. The provisions of this chapter with respect to ~~{state gaming licenses and manufacturer's, seller's and distributor's licenses}~~ *any license, registration, finding of suitability or other approval or authorization* must be administered by the Board and the Commission, which shall administer them for the protection of the public and in the public interest in accordance with the policy of this state.

2. ~~{The}~~ *Except as otherwise provided in this chapter, the Board and the Commission and their agents may:*

(a) Inspect and examine all premises wherein gaming is conducted or gambling devices or equipment are manufactured, sold or distributed.

(b) Inspect all equipment and supplies in, upon or about such premises.

(c) Summarily seize and remove from such premises and impound any equipment, supplies, documents or records for the purpose of examination and inspection.

(d) Demand access to and inspect, examine, photocopy and audit all papers, books and records of any applicant or licensee, on his or her premises, or elsewhere as practicable, and in the presence of the applicant or licensee, or his or her agent, respecting the gross income produced by any gaming business, and require verification of income, and all other matters affecting the enforcement of the policy or any of the provisions of this chapter.

(e) Demand access to and inspect, examine, photocopy and audit all papers, books and records of any affiliate of a licensee whom the Board or Commission knows or reasonably suspects is involved in the financing, operation or management of the licensee. The inspection, examination, photocopying and audit may take place on the affiliate's premises or elsewhere as practicable, and in the presence of the affiliate or its agent.

3. For the purpose of conducting audits after the cessation of gaming by a licensee, the former licensee shall furnish, upon demand of an agent of the Board, books, papers and records as necessary to conduct the audits. The former licensee shall maintain all books, papers and records necessary for audits for 1 year after the date of the surrender or revocation of his or her gaming license. If the former licensee seeks judicial review of a deficiency determination or files a petition for a redetermination, the former licensee must maintain all books, papers and records until a final order is entered on the determination.

4. The Board may investigate, for the purpose of prosecution, any suspected criminal violation of the provisions of this chapter, chapter 205 of NRS involving a crime against the property of a gaming licensee, NRS 207.195 or chapter 462, 463B, 464, 465 or 466 of NRS.

5. The Board and the Commission or any of its members has full power and authority to issue subpoenas and compel the attendance of witnesses at any place within this state, to administer oaths and to require testimony under oath. Any process or notice may be served in the manner provided for service of process and notices in civil actions. The Board or the Commission may pay such transportation and other expenses of witnesses as it may deem reasonable and proper. Any person making false oath in any matter before either the Board or Commission is guilty of perjury. The Board and Commission or any member thereof may appoint hearing examiners who may administer oaths and receive evidence and testimony under oath.

Sec. 3. NRS 463.160 is hereby amended to read as follows:

463.160 1. Except as otherwise provided in subsection 3 and NRS 462.155 and 463.172 ~~and~~ *and section 1 of this act*, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, either solely or in conjunction with others:

(a) To deal, operate, carry on, conduct, maintain or expose for play in the State of Nevada any gambling game, gaming device, slot machine, race book or sports pool;

(b) To provide or maintain any information service;

(c) To operate a gaming salon;

(d) To receive, directly or indirectly, any compensation or reward or any percentage or share of the money or property played, for keeping, running or carrying on any gambling game, slot machine, gaming device, race book or sports pool;

(e) To operate as a cash access and wagering instrument service provider; or

(f) To operate, carry on, conduct, maintain or expose for play in or from the State of Nevada any interactive gaming system,

↳ without having first procured, and thereafter maintaining in effect, all federal, state, county and municipal gaming licenses or registrations as required by statute, regulation or ordinance or by the governing board of any unincorporated town.

2. Except as otherwise provided in subsection 3, it is unlawful for any person knowingly to permit any gambling game, slot machine, gaming device, race book or sports pool to be conducted, operated, dealt or carried on in any house or building or other premises owned by the person, in whole or in part, by a person who is not licensed pursuant to this chapter, or that person's employee.

3. The Commission may, by regulation, authorize a person to own or lease gaming devices for the limited purpose of display or use in the person's private residence without procuring a state gaming license.

4. For the purposes of this section, the operation of a race book or sports pool includes making ~~without limitation:~~

~~(a) Controlling the types of wagers that will be accepted, including, without limitation, controlling the setting of lines, point spreads and odds;~~

~~(b) Representing to the public that the person is operating a race book or sports pool;~~

~~(c) Having responsibility for the financial success or failure of a race book or sports pool; or~~

~~(d) Making~~ the premises available for any of the following purposes:

(a) ~~##1~~ Allowing patrons to establish an account for wagering with the race book or sports pool;

(b) ~~##2~~ Accepting wagers from patrons;

(c) ~~##3~~ Allowing patrons to place wagers;

(d) ~~##4~~ Paying winning wagers to patrons; or

(e) ~~##5~~ Allowing patrons to withdraw cash from an account for wagering or to be issued a ticket, receipt, representation of value or other credit representing a withdrawal from an account for wagering that can be redeemed for cash,

↪ whether by a transaction in person at an establishment or through mechanical means, such as a kiosk or similar device, regardless of whether that device would otherwise be considered associated equipment. A separate license must be obtained for each location at which such an operation is conducted.

Sec. 4. NRS 463.162 is hereby amended to read as follows:

463.162 1. Except as otherwise provided in subsections 2 and 3 ~~and~~ *and section 1 of this act*, it is unlawful for any person to:

(a) Lend, let, lease or otherwise deliver or furnish any equipment of any gambling game, including any slot machine, for any interest, percentage or share of the money or property played, under guise of any agreement whatever, without having first procured a state gaming license.

(b) Lend, let, lease or otherwise deliver or furnish, except by a bona fide sale or capital lease, any slot machine under guise of any agreement whereby any consideration is paid or is payable for the right to possess or use that slot machine, whether the consideration is measured by a percentage of the revenue derived from the machine or by a fixed fee or otherwise, without having first procured a state gaming license for the slot machine.

(c) Furnish services or property, real or personal, on the basis of a contract, lease or license, pursuant to which that person receives payments based on earnings or profits from any gambling game, including any slot machine, without having first procured a state gaming license.

2. The provisions of subsection 1 do not apply to any person:

(a) Whose payments are a fixed sum determined in advance on a bona fide basis for the furnishing of services or property other than a slot machine.

(b) Who furnishes services or property under a bona fide rental agreement or security agreement for gaming equipment.

(c) That is a wholly owned subsidiary of:

(1) A corporation, limited partnership or limited-liability company holding a state gaming license; or

(2) A holding company or intermediary company, or publicly traded corporation, that has registered pursuant to NRS 463.585 or 463.635 and which has fully complied with the laws applicable to it.

(d) Who is licensed as a manufacturer or distributor pursuant to NRS 463.650.

(e) Who is found suitable by the Commission to act as an independent agent.

↪ Receipts or rentals or charges for real property, personal property or services do not lose their character as payments of a fixed sum or as bona fide because of provisions in a contract, lease or license for adjustments in charges, rentals or fees on account of changes in taxes or assessments, escalations in the cost-of-living index, expansions or improvement of facilities, or changes in services supplied. Receipts of rentals or charges based on percentage between a corporate licensee or a licensee who is a limited partnership or

limited-liability company and the entities enumerated in paragraph (c) are permitted under this subsection.

3. The Commission may, upon the issuance of its approval or a finding of suitability, exempt a holding company from the licensing requirements of subsection 1.

4. The Board may require any person exempted by the provisions of subsection 2 or paragraph (b) of subsection 1 to provide such information as it may require to perform its investigative duties.

5. The Board and the Commission may require a finding of suitability or the licensing of any person who:

(a) Owns any interest in the premises of a licensed establishment or owns any interest in real property used by a licensed establishment whether the person leases the property directly to the licensee or through an intermediary.

(b) Repairs, rebuilds or modifies any gaming device.

(c) Manufactures or distributes chips or gaming tokens for use in this state.

(d) Operates a call center within this State as an agent of a licensed race book or sports pool in this State in accordance with the regulations adopted by the Commission.

(e) Has invented, has developed or owns the intellectual property rights to a game for which approval by the Commission is being sought or has been received in accordance with the regulations adopted by the Commission.

6. If the Commission finds a person described in subsection 5 unsuitable, a licensee shall not enter into any contract or agreement with that person without the prior approval of the Commission. Any other agreement between the licensee and that person must be terminated upon receipt of notice of the action by the Commission. Any agreement between a licensee and a person described in subsection 5 shall be deemed to include a provision for its termination without liability on the part of the licensee upon a finding by the Commission that the person is unsuitable. Failure expressly to include that condition in the agreement is not a defense in any action brought pursuant to this section to terminate the agreement. If the application is not presented to the Board within 30 days after demand, the Commission may pursue any remedy or combination of remedies provided in this chapter.

Sec. 5. NRS 463.315 is hereby amended to read as follows:

463.315 1. Any person aggrieved by a final decision or order of the Commission made after hearing or rehearing by the Commission pursuant to NRS 463.312 to 463.3145, inclusive, and whether or not a petition for rehearing was filed, may obtain a judicial review thereof in the district court ~~{of}~~ *in and for Carson City, the district court in and for the county in which the petitioner resides or the district court in and for the county in which the petitioner has his, her or its principal place of business.*

2. The judicial review must be instituted by filing a petition within 20 days after the effective date of the final decision or order. A petition may not be filed while a petition for rehearing or a rehearing is pending before the Commission. The petition must set forth the order or decision appealed from

and the grounds or reasons why petitioner contends a reversal or modification should be ordered.

3. Copies of the petition must be served upon the Commission and all other parties of record, or their counsel of record, either personally or by certified mail.

4. The court, upon a proper showing, may permit other interested persons to intervene as parties to the appeal or as friends of the court.

5. The filing of the petition does not stay enforcement of the decision or order of the Commission, but the Commission itself may grant a stay upon such terms and conditions as it deems proper.

6. If judicial review is sought in any case in which a supervisor has been appointed pursuant to NRS 463B.010 to 463B.280, inclusive, the district court shall give priority to that review over other civil actions.

Sec. 6. NRS 463.343 is hereby amended to read as follows:

463.343 1. The Board or Commission or any applicant, licensee, association of licensees, nonprofit corporation that represents licensees, person found suitable, holding company, intermediary company or publicly traded corporation which is registered with the Commission may obtain a judicial determination of any question of construction or validity arising under this chapter, chapter 462 of NRS or any regulation of the Commission by bringing an action for a declaratory judgment in the ~~First Judicial District Court of the State of Nevada~~ *district court* in and for Carson City ~~or in~~ the district court ~~of~~ *in and for the* ~~district~~ *county* in which the plaintiff resides or does business, in accordance with the provisions of chapter 30 of NRS.

2. When an action is brought by a person other than the Board or Commission, the Commission must be made a party to the action and the Attorney General must be served with a copy of the complaint and is entitled to appear in the action.

3. Statutes and regulations reviewed pursuant to this section must be construed in a manner consistent with the declared policy of the State.

4. The filing of a complaint for judicial determination under this section does not stay enforcement of any Commission or Board action. The Board or Commission may grant a stay upon appropriate terms.

5. In any proceeding brought under this section, the district court shall not grant any injunctive relief or relief based upon any other extraordinary common-law writ to:

- (a) Any applicant for licensing, finding of suitability or registration;
- (b) Any person who has been ordered by the Board or Commission to submit his or her application for licensing, finding of suitability or registration;
- (c) Any person seeking judicial review of an action of the Commission which is subject to the provisions of NRS 463.315 to 463.318, inclusive; or
- (d) Any person who is adversely affected by the appointment of a supervisor pursuant to chapter 463B of NRS.

Sec. 7. NRS 463.373 is hereby amended to read as follows:

463.373 1. Before issuing a state gaming license to an applicant for a restricted operation, the Commission shall charge and collect from the applicant for each slot machine for each quarter year:

(a) A license fee of \$81 for each slot machine if the applicant will have at least 1 but not more than 5 slot machines.

(b) A license fee of \$405 plus \$141 for each slot machine in excess of 5 if the applicant will have at least 6 but not more than 15 slot machines.

2. The Commission shall charge and collect the fee prescribed in subsection 1:

(a) On or before the last day of the last month in a calendar quarter, for the ensuing calendar quarter, from a licensee whose operation is continuing.

(b) In advance from a licensee who begins operation or puts additional slot machines into play during a calendar quarter.

3. Except as otherwise provided in NRS 463.386, no proration of the fee prescribed in subsection 1 may be allowed for any reason.

4. The operator of the location where slot machines are situated shall pay the fee prescribed in subsection 1 upon the total number of slot machines situated in that location, whether or not the machines are owned by one or more licensee-owners.

5. *Any person who is authorized to receive a share of the revenue from any slot machine that is operated on the premises of a licensee is liable to the licensee for that person's proportionate share of the fee prescribed in subsection 1 and shall remit or credit his or her full proportionate share to the licensee on or before the last day of the last month in a calendar quarter, if the licensee is paying the fee in accordance with paragraph (a) of subsection 2, or, if the licensee is paying the fee in accordance with paragraph (b) of subsection 2, on or before the date on which the licensee pays the fee. A licensee is not liable to any person who is authorized to receive a share of the revenue from any slot machine that is operated on the premises of the licensee for that person's proportionate share of the fee prescribed in subsection 1.*

Sec. 8. NRS 463.386 is hereby amended to read as follows:

463.386 1. If the Commission approves the issuance of a license for gaming operations at the same location that is currently licensed, or locations that are currently licensed if the license is for the operation of a slot machine route, the Chair of the Board, in consultation with the Chair of the Commission may administratively determine that, for the purposes of NRS 463.370, ~~and~~ 463.373 to 463.3855, inclusive, 463.450, 463.660, 463.677, 463.760, 463.765 and 464.015, the gaming license shall be deemed transferred, the previously licensed operation shall be deemed a continuing operation and credit must be granted for prepaid license fees, if the Chair of the Board makes a written finding that such determination is consistent with the public policy of this State pursuant to NRS 463.0129.

2. The Chair of the Board may refer a request for administrative determination pursuant to this section to the Board and the Commission for

consideration, or may deny the request for any reasonable cause. A denial may be submitted for review by the Board and the Commission in the manner set forth by the regulations adopted by the Commission which pertain to the review of administrative approval decisions.

3. Except as otherwise provided in this section, no credit or refund of fees or taxes may be made because a gaming establishment ceases operation.

4. The Commission may, with the advice and assistance of the Board, adopt regulations consistent with the policy, objects and purposes of this chapter as it may deem necessary to carry out the provisions of this section.

Sec. 9. NRS 463.650 is hereby amended to read as follows:

463.650 1. Except as otherwise provided in subsections 2 to 7, inclusive, *and section 1 of this act*, it is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to operate, carry on, conduct or maintain any form of manufacture, selling or distribution of any gaming device, cashless wagering system or interactive gaming system for use or play in Nevada without first procuring and maintaining all required federal, state, county and municipal licenses.

2. A lessor who specifically acquires equipment for a capital lease is not required to be licensed under this section.

3. The holder of a state gaming license or the holding company of a corporation, partnership, limited partnership, limited-liability company or other business organization holding a license may, within 2 years after cessation of business or upon specific approval by the Board, dispose of by sale in a manner approved by the Board, any or all of its gaming devices, including slot machines and cashless wagering systems, without a distributor's license. In cases of bankruptcy of a state gaming licensee or foreclosure of a lien by a bank or other person holding a security interest for which gaming devices are security in whole or in part for the lien, the Board may authorize the disposition of the gaming devices without requiring a distributor's license.

4. The Commission may, by regulation, authorize a person who owns:

- (a) Gaming devices for home use in accordance with NRS 463.160; or
- (b) Antique gaming devices,

↳ to sell such devices without procuring a license therefor to residents of jurisdictions wherein ownership of such devices is legal.

5. Upon approval by the Board, a gaming device owned by:

- (a) A law enforcement agency;
- (b) A court of law; or
- (c) A gaming device repair school licensed by the Commission on Postsecondary Education,

↳ may be disposed of by sale, in a manner approved by the Board, without a distributor's license. An application for approval must be submitted to the Board in the manner prescribed by the Chair.

6. A manufacturer who performs any action described in paragraph (a), (b) or (c) of subsection 1 of NRS 463.01715 is not required to be licensed under the provisions of this section with respect to the performance of that action if

another manufacturer who is licensed under the provisions of this section assumes responsibility for the performance of that action.

7. An independent contractor who designs, develops, programs, produces or composes a control program for use in the manufacture of a gaming device that is for use or play in this State is not required to be licensed under the provisions of this section with respect to the design, development, programming, production or composition of a control program if a manufacturer who is licensed under the provisions of this section assumes responsibility for the design, development, programming, production or composition of the control program.

8. Any person who the Commission determines is a suitable person to receive a license under the provisions of this section may be issued a manufacturer's or distributor's license. The burden of proving his or her qualification to receive or hold a license under this section is at all times on the applicant or licensee.

9. Every person who must be licensed pursuant to this section is subject to the provisions of NRS 463.482 to 463.645, inclusive, unless exempted from those provisions by the Commission.

10. The Commission may exempt, for any purpose, a manufacturer, seller or distributor from the provisions of NRS 463.482 to 463.645, inclusive, if the Commission determines that the exemption is consistent with the purposes of this chapter.

11. Any person conducting business in Nevada who is not required to be licensed as a manufacturer, seller or distributor pursuant to subsection 1, but who otherwise must register with the Attorney General of the United States pursuant to Title 15 of U.S.C., must submit to the Board a copy of such registration within 10 days after submission to the Attorney General of the United States.

12. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, to knowingly distribute any gaming device, cashless wagering system, interactive gaming system or associated equipment from Nevada to any jurisdiction where the possession, ownership or use of any such device, system or equipment is illegal.

13. As used in this section:

(a) "Antique gaming device" means a gaming device that was manufactured before 1961.

(b) "Assume responsibility" has the meaning ascribed to it in NRS 463.01715.

(c) "Control program" has the meaning ascribed to it in NRS 463.0155.

(d) "Holding company" has the meaning ascribed to it in NRS 463.485.

(e) "Independent contractor" has the meaning ascribed to it in NRS 463.01715.

Sec. 9.1. NRS 463.673 is hereby amended to read as follows:

463.673 1. The Legislature finds that:

(a) To protect and promote the health, safety, morals, good order and general welfare of the inhabitants of this State, and to carry out the public policy declared in NRS 463.0129, it is necessary that the Board and Commission be allowed to react to rapidly evolving technological advances while maintaining strict regulation and control of gaming.

(b) Technological advances have evolved which allow:

(1) Certain parts of games, gaming devices, cashless wagering systems and race book and sports pool operations to be conducted at locations that are not on the premises of a licensed gaming establishment; and

(2) Associated equipment to be located at a hosting center.

2. Except as otherwise provided in subsection 3, the Commission may, with the advice and assistance of the Board, provide by regulation for the operation and registration of hosting centers and persons associated therewith. Such regulations may include:

(a) Provisions relating to the operation and location of hosting centers, including, without limitation, minimum internal and operational control standards established by the Commission.

(b) Provisions relating to the registration of persons owning or operating a hosting center and any persons having a significant involvement with a hosting center, as determined by the Commission.

(c) A provision that a person owning, operating or having a significant involvement with a hosting center may be required by the Commission to be found suitable to be associated with licensed gaming, including race book or sports pool operations.

(d) Additional matters which the Commission deems necessary and appropriate to carry out the provisions of this section and which are consistent with the public policy of this State pursuant to NRS 463.0129.

3. The Commission may not adopt regulations pursuant to this section until the Commission first determines that hosting centers are secure and reliable, do not pose a threat to the integrity of gaming and are consistent with the public policy of this State pursuant to NRS 463.0129.

4. ~~Regulations~~ *Subject to any regulations* adopted by the Commission pursuant to ~~this section must~~

~~(a) Define "hosting center."~~

~~(b) Provide that~~ *subsection 5*, the premises on which the hosting center is located are subject to the power and authority of the Board and Commission pursuant to NRS 463.140, as though the premises are where gaming is conducted and the hosting center is a gaming licensee.

5. The Commission may adopt regulations that define the scope of the power and authority of the Board and Commission provided in subsection 4 as it deems appropriate based on the type and function of a hosting center.

6. Regulations adopted by the Commission pursuant to this section must define "hosting center."

Sec. 9.3. NRS 463.677 is hereby amended to read as follows:

463.677 1. The Legislature finds that:

(a) Technological advances have evolved which allow licensed gaming establishments to expose games, including, without limitation, system-based and system-supported games, gaming devices, interactive gaming, cashless wagering systems or race books and sports pools, and to be assisted by an interactive gaming service provider or a service provider, as applicable, who provides important services to the public with regard to the conduct and exposure of such games.

(b) To protect and promote the health, safety, morals, good order and general welfare of the inhabitants of this State, and to carry out the public policy declared in NRS 463.0129, it is necessary that the Board and Commission have the ability to:

- (1) License interactive gaming service providers;
- (2) Register service providers; and
- (3) Maintain strict regulation and control of the operation of such interactive gaming service providers or service providers, respectively, and all persons and locations associated therewith.

2. Except as otherwise provided in subsection 4, the Commission may, with the advice and assistance of the Board, provide by regulation for the:

- (a) Licensing of an interactive gaming service provider;
- (b) Registration of a service provider; and
- (c) Operation of such a service provider or interactive gaming service provider, respectively, and all persons, locations and matters associated therewith.

3. The regulations pursuant to subsection 2 may include, without limitation:

- (a) Provisions requiring:
 - (1) The interactive gaming service provider to meet the qualifications for licensing pursuant to NRS 463.170, in addition to any other qualifications established by the Commission and to be licensed regardless of whether the interactive gaming service provider holds any license.
 - (2) The service provider to be registered regardless of whether the service provider holds any license.
- (b) Criteria regarding the location from which the interactive gaming service provider or service provider, respectively, conducts its operations, including, without limitation, minimum internal and operational control standards established by the Commission.

(c) Provisions relating to:

- (1) The licensing of persons owning or operating an interactive gaming service provider, and any person having a significant involvement therewith, as determined by the Commission.
- (2) The registration of persons owning or operating a service provider, and any persons having a significant involvement therewith, as determined by the Commission.
- (d) A provision that a person owning, operating or having significant involvement with an interactive gaming service provider or a service provider,

respectively, as determined by the Commission, may be required by the Commission to be found suitable to be associated with licensed gaming, including race book or sports pool operations.

(e) Additional matters which the Commission deems necessary and appropriate to carry out the provisions of this section and which are consistent with the public policy of this State pursuant to NRS 463.0129, including that an interactive gaming service provider or a service provider, respectively, must be liable to the licensee on whose behalf the services are provided for the interactive gaming service provider's or service provider's proportionate share of the fees and taxes paid by the licensee.

4. The Commission may not adopt regulations pursuant to this section until the Commission first determines that interactive gaming service providers or service providers, respectively, are secure and reliable, do not pose a threat to the integrity of gaming and are consistent with the public policy of this State pursuant to NRS 463.0129.

5. ~~[Regulations]~~ *Subject to any regulations* adopted by the Commission pursuant to ~~[this section must provide that]~~ subsection 6, the premises on which an interactive gaming service provider ~~[and]~~ or a service provider ~~[, respectively,]~~ conducts its operations are subject to the power and authority of the Board and Commission pursuant to NRS 463.140, as though the premises are where gaming is conducted and the interactive gaming service provider or service provider, respectively, is a gaming licensee.

6. *The Commission may adopt regulations that define the scope of the power and authority of the Board and Commission provided in subsection 5 as it deems appropriate based on the type and function of a specific interactive gaming service provider or service provider.*

7. As used in this section:

(a) "Interactive gaming service provider" means a person who acts on behalf of an establishment licensed to operate interactive gaming and:

(1) Manages, administers or controls wagers that are initiated, received or made on an interactive gaming system;

(2) Manages, administers or controls the games with which wagers that are initiated, received or made on an interactive gaming system are associated;

(3) Maintains or operates the software or hardware of an interactive gaming system; or

(4) Provides products, services, information or assets to an establishment licensed to operate interactive gaming and receives therefor a percentage of gaming revenue from the establishment's interactive gaming system.

(b) "Service provider" means a person who:

(1) Is a cash access and wagering instrument service provider; or

(2) Meets such other or additional criteria as the Commission may establish by regulation.

Sec. 9.5. NRS 463.750 is hereby amended to read as follows:

463.750 1. The Commission shall, with the advice and assistance of the Board, adopt regulations governing:

- (a) The licensing and operation of interactive gaming; and
- (b) The registration of service providers to perform any action described in paragraph (b) of subsection ~~{6}~~ 7 of NRS 463.677.

2. The regulations adopted by the Commission pursuant to this section must:

- (a) Establish the investigation fees for:
 - (1) A license to operate interactive gaming;
 - (2) A license for a manufacturer of interactive gaming systems;
 - (3) A license for an interactive gaming service provider to perform the actions described in paragraph (a) of subsection ~~{6}~~ 7 of NRS 463.677; and
 - (4) Registration as a service provider to perform the actions described in paragraph (b) of subsection ~~{6}~~ 7 of NRS 463.677.

(b) Provide that:

(1) A person must hold a license for a manufacturer of interactive gaming systems to supply or provide any interactive gaming system, including, without limitation, any piece of proprietary software or hardware;

(2) A person must hold a license for an interactive gaming service provider to perform the actions described in paragraph (a) of subsection ~~{6}~~ 7 of NRS 463.677; and

(3) A person must be registered as a service provider to perform the actions described in paragraph (b) of subsection ~~{6}~~ 7 of NRS 463.677.

(c) Except as otherwise provided in subsections 6 to 10, inclusive, set forth standards for the suitability of a person to be:

(1) Licensed as a manufacturer of interactive gaming systems;

(2) Licensed as an interactive gaming service provider as described in paragraph (a) of subsection ~~{6}~~ 7 of NRS 463.677 that are as stringent as the standards for a nonrestricted license; or

(3) Registered as a service provider as described in paragraph (b) of subsection ~~{6}~~ 7 of NRS 463.677 that are as stringent as the standards for a nonrestricted license.

(d) Set forth provisions governing:

(1) The initial fee for a license for an interactive gaming service provider as described in paragraph (a) of subsection ~~{6}~~ 7 of NRS 463.677.

(2) The initial fee for registration as a service provider as described in paragraph (b) of subsection ~~{6}~~ 7 of NRS 463.677.

(3) The fee for the renewal of such a license for such an interactive gaming service provider or registration as a service provider, as applicable, and any renewal requirements for such a license or registration, as applicable.

(4) Any portion of the license fee paid by a person licensed to operate interactive gaming, pursuant to subsection 1 of NRS 463.770, for which an interactive gaming service provider may be liable to the person licensed to operate interactive gaming.

(e) Provide that gross revenue received by an establishment from the operation of interactive gaming is subject to the same license fee provisions of

NRS 463.370 as the games and gaming devices of the establishment, unless federal law otherwise provides for a similar fee or tax.

(f) Set forth standards for the location and security of the computer system and for approval of hardware and software used in connection with interactive gaming.

(g) Define "interactive gaming system," "manufacturer of interactive gaming systems," "operate interactive gaming" and "proprietary hardware and software" as the terms are used in this chapter.

3. Except as otherwise provided in subsections 4 and 5, the Commission shall not approve a license for an establishment to operate interactive gaming unless:

(a) In a county whose population is 700,000 or more, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices.

(b) In a county whose population is 45,000 or more but less than 700,000, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices or the establishment:

(1) Holds a nonrestricted license for the operation of games and gaming devices;

(2) Has more than 120 rooms available for sleeping accommodations in the same county;

(3) Has at least one bar with permanent seating capacity for more than 30 patrons that serves alcoholic beverages sold by the drink for consumption on the premises;

(4) Has at least one restaurant with permanent seating capacity for more than 60 patrons that is open to the public 24 hours each day and 7 days each week; and

(5) Has a gaming area that is at least 18,000 square feet in area with at least 1,600 slot machines, 40 table games, and a sports book and race pool.

(c) In all other counties, the establishment is a resort hotel that holds a nonrestricted license to operate games and gaming devices or the establishment:

(1) Has held a nonrestricted license for the operation of games and gaming devices for at least 5 years before the date of its application for a license to operate interactive gaming;

(2) Meets the definition of group 1 licensee as set forth in the regulations of the Commission on the date of its application for a license to operate interactive gaming; and

(3) Operates either:

(I) More than 50 rooms for sleeping accommodations in connection therewith; or

(II) More than 50 gaming devices in connection therewith.

4. The Commission may:

(a) Issue a license to operate interactive gaming to an affiliate of an establishment if:

(1) The establishment satisfies the applicable requirements set forth in subsection 3;

(2) The affiliate is located in the same county as the establishment; and

(3) The establishment has held a nonrestricted license for at least 5 years before the date on which the application is filed; and

(b) Require an affiliate that receives a license pursuant to this subsection to comply with any applicable provision of this chapter.

5. The Commission may issue a license to operate interactive gaming to an applicant that meets any qualifications established by federal law regulating the licensure of interactive gaming.

6. Except as otherwise provided in subsections 7, 8 and 9:

(a) A covered person may not be found suitable for licensure under this section within 5 years after February 21, 2013;

(b) A covered person may not be found suitable for licensure under this section unless such covered person expressly submits to the jurisdiction of the United States and of each state in which patrons of interactive gaming operated by such covered person after December 31, 2006, were located, and agrees to waive any statutes of limitation, equitable remedies or laches that otherwise would preclude prosecution for a violation of any provision of federal law or the law of any state in connection with such operation of interactive gaming after that date;

(c) A person may not be found suitable for licensure under this section within 5 years after February 21, 2013, if such person uses a covered asset for the operation of interactive gaming; and

(d) Use of a covered asset is grounds for revocation of an interactive gaming license, or a finding of suitability, issued under this section.

7. The Commission, upon recommendation of the Board, may waive the requirements of subsection 6 if the Commission determines that:

(a) In the case of a covered person described in paragraphs (a) and (b) of subsection 1 of NRS 463.014645:

(1) The covered person did not violate, directly or indirectly, any provision of federal law or the law of any state in connection with the ownership and operation of, or provision of services to, an interactive gaming facility that, after December 31, 2006, operated interactive gaming involving patrons located in the United States; and

(2) The assets to be used or that are being used by such person were not used after that date in violation of any provision of federal law or the law of any state;

(b) In the case of a covered person described in paragraph (c) of subsection 1 of NRS 463.014645, the assets that the person will use in connection with interactive gaming for which the covered person applies for a finding of suitability were not used after December 31, 2006, in violation of any provision of federal law or the law of any state; and

(c) In the case of a covered asset, the asset was not used after December 31, 2006, in violation of any provision of federal law or the law of any state, and

the interactive gaming facility in connection with which the asset was used was not used after that date in violation of any provision of federal law or the law of any state.

8. With respect to a person applying for a waiver pursuant to subsection 7, the Commission shall afford the person an opportunity to be heard and present relevant evidence. The Commission shall act as finder of fact and is entitled to evaluate the credibility of witnesses and persuasiveness of the evidence. The affirmative votes of a majority of the whole Commission are required to grant or deny such waiver. The Board shall make appropriate investigations to determine any facts or recommendations that it deems necessary or proper to aid the Commission in making determinations pursuant to this subsection and subsection 7.

9. The Commission shall make a determination pursuant to subsections 7 and 8 with respect to a covered person or covered asset without regard to whether the conduct of the covered person or the use of the covered asset was ever the subject of a criminal proceeding for a violation of any provision of federal law or the law of any state, or whether the person has been prosecuted and the prosecution terminated in a manner other than with a conviction.

10. It is unlawful for any person, either as owner, lessee or employee, whether for hire or not, either solely or in conjunction with others, to operate interactive gaming:

(a) Until the Commission adopts regulations pursuant to this section; and

(b) Unless the person first procures, and thereafter maintains in effect, all appropriate licenses as required by the regulations adopted by the Commission pursuant to this section.

11. A person who violates subsection 10 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 10 years or by a fine of not more than \$50,000, or both.

Sec. 9.7. NRS 463.767 is hereby amended to read as follows:

463.767 1. The Commission may, with the advice and assistance of the Board, adopt a seal for its use to identify:

(a) A license to operate interactive gaming;

(b) A license for a manufacturer of interactive gaming systems;

(c) A license for an interactive gaming service provider to perform the actions described in paragraph (a) of subsection ~~6~~ 7 of NRS 463.677; and

(d) Registration as a service provider to perform the actions described in paragraph (b) of subsection ~~6~~ 7 of NRS 463.677.

2. The Chair of the Commission has the care and custody of the seal.

3. The seal must have imprinted thereon the words "Nevada Gaming Commission."

4. A person shall not use, copy or reproduce the seal in any way not authorized by this chapter or the regulations of the Commission. Except under circumstances where a greater penalty is provided in NRS 205.175, a person who violates this subsection is guilty of a gross misdemeanor.

5. A person convicted of violating subsection 4 is, in addition to any criminal penalty imposed, liable for a civil penalty upon each such conviction. A court before whom a defendant is convicted of a violation of subsection 4 shall, for each violation, order the defendant to pay a civil penalty of \$5,000.

The money so collected:

- (a) Must not be deducted from any penal fine imposed by the court;
- (b) Must be stated separately on the court's docket; and
- (c) Must be remitted forthwith to the Commission.

Sec. 10. (Deleted by amendment.)

Sec. 10.5. NRS 286.520 is hereby amended to read as follows:

286.520 1. Except as otherwise provided in this section and NRS 286.525, the consequences of the employment of a retired employee are:

(a) A retired employee who accepts employment or an independent contract with a public employer under this System is disqualified from receiving any allowances under this System for the duration of that employment or contract if:

(1) The retired employee accepted the employment or contract within 90 calendar days after the effective date of the employee's retirement; or

(2) The retired employee is employed in a position which is eligible to participate in this System.

(b) If a retired employee accepts employment or an independent contract with a public employer under this System more than 90 calendar days after the effective date of the employee's retirement in a position which is not eligible to participate in this System, the employee's allowance under this System terminates upon the employee's earning an amount equal to one-half of the average salary for participating public employees who are not police officers or firefighters in any fiscal year, for the duration of that employment or contract.

(c) If a retired employee accepts employment with an employer who is not a public employer under this System, the employee is entitled to the same allowances as a retired employee who has no employment.

2. The retired employee and the public employer shall notify the System:

(a) Within 10 days after the first day of an employment or contract governed by paragraph (a) of subsection 1.

(b) Within 30 days after the first day of an employment or contract governed by paragraph (b) of subsection 1.

(c) Within 10 days after a retired employee earns more than one-half of the average salary for participating public employees who are not police officers or firefighters in any fiscal year from an employment or contract governed by paragraph (b) of subsection 1.

3. For the purposes of this section, the average salary for participating public employees who are not police officers or firefighters must be computed on the basis of the most recent actuarial valuation of the System.

4. If a retired employee who accepts employment or an independent contract with a public employer under this System pursuant to this section

elects not to reenroll in the System pursuant to subsection 1 of NRS 286.525, the public employer with which the retired employee accepted employment or an independent contract may pay contributions on behalf of the retired employee to a retirement fund which is not a part of the System in an amount not to exceed the amount of the contributions that the public employer would pay to the System on behalf of a participating public employee who is employed in a similar position.

5. If a retired employee is chosen by election or appointment to fill an elective public office, the retired employee is entitled to the same allowances as a retired employee who has no employment, unless the retired employee is serving in the same office in which the retired employee served and for which the retired employee received service credit as a member. A public employer may pay contributions on behalf of such a retired employee to a retirement fund which is not a part of the System in an amount not to exceed the amount of the contributions that the public employer would pay to the System on behalf of a participating public employee who serves in the same office.

6. The System may waive for one period of 30 days or less a retired employee's disqualification under this section if the public employer certifies in writing, in advance, that the retired employee is recalled to meet an emergency and that no other qualified person is immediately available.

7. A person who accepts employment or an independent contract with:

- (a) Either house of the Legislature or the Legislative Counsel Bureau; ~~{or}~~
- (b) *The Nevada Gaming Commission as a Commissioner appointed by the Governor; or*

(c) The Nevada Court System as a senior justice, senior judge, senior justice of the peace or senior municipal judge,

↪ is exempt from the provisions of subsections 1 and 2 for the duration of that employment or contract.

8. A person who accepts employment with a volunteer fire department of which all the volunteers have become members of the System pursuant to NRS 286.367 is exempt from the provisions of subsections 1 and 2 for the duration of that employment.

Sec. 11. NRS 353C.220 is hereby amended to read as follows:

353C.220 1. ~~{H}~~ *Except as otherwise provided in NRS 463.123, if the State Controller determines that it is impossible or impractical to collect a debt, the State Controller may request the State Board of Examiners to designate the debt as a bad debt. The State Board of Examiners, by an affirmative vote of the majority of the members of the Board, may designate the debt as a bad debt if the Board is satisfied that the collection of the debt is impossible or impractical. If the debt is not more than \$50, the State Board of Examiners may delegate to its Clerk the authority to designate the debt as a bad debt. The State Controller may appeal a denial of a request to designate the debt as a bad debt by the Clerk to the State Board of Examiners.*

2. Upon the designation of a debt as a bad debt pursuant to this section, the State Board of Examiners or its Clerk shall immediately notify the State

Controller thereof. Upon receiving the notification, the State Controller shall direct the removal of the debt from the books of account of the State of Nevada. A bad debt that is removed pursuant to this section remains a legal and binding obligation owed by the debtor to the State of Nevada.

3. The State Controller shall keep a master file of all debts that are designated as bad debts pursuant to this section. For each such debt, the State Controller shall record the name of the debtor, the amount of the debt, the date on which the debt was incurred and the date on which it was removed from the records and books of account of the State of Nevada, and any other information concerning the debt that the State Controller determines is necessary.

Sec. 12. 1. This section and sections 1 to 10, inclusive, and 11 of this act become effective upon passage and approval.

2. Section 10.5 of this act becomes effective on October 1, 2023.

Senator Scheible moved that the Senate concur in Assembly Amendment No. 633 to Senate Bill No. 14.

Motion carried by a constitutional majority.

Bill ordered enrolled.

REPORTS OF COMMITTEE

Madam President pro Tempore:

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

Also, your Committee on Finance, to which was re-referred Senate Bill No. 311, 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*

SECOND READING AND AMENDMENT

Senate Bill No. 98.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 852.

SUMMARY—Revises provisions relating to education. (BDR 34-444)

AN ACT relating to education; revising provisions relating to ~~[[funding for pupils enrolled full time in a program of distance education provided by a school district; authorizing]]~~ annual reports of accountability for public schools; revising provisions relating to the Education Stabilization Account; revising provisions relating to the Commission on School Funding ; ~~to meet at certain times under certain circumstances;~~ requiring the Commission to conduct ~~[[an]]~~ interim ~~[[study]]~~ studies on school funding ~~[[and]]~~ and accountability for school funding; making ~~[[an appropriation;]]~~ appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law ~~[[requires the Legislature to appropriate money from the State Education Fund, less the money in the Education Stabilization Account, to fund, in an amount determined sufficient by the Legislature, the operation of each school district for all pupils generally through adjusted base per pupil~~

~~funding for each pupil enrolled in the school district. (NRS 387.1214) Section 1 of this bill requires the appropriation from the State Education Fund to fund the operation of each school district to be in an amount determined sufficient by the Legislature to provide, for each pupil who is enrolled full time in a program of distance education provided by a school district, the statewide base per pupil funding amount instead of the adjusted base per pupil funding amount provided for other pupils enrolled in the school district. This is consistent with the funding provided for each pupil estimated to be enrolled full time in a program of distance education provided by a charter school or university school for profoundly gifted pupils. (NRS 387.1214) Sections 2, 3 and 5 of this bill make conforming changes to reflect the change in per pupil funding for pupils enrolled full time in a program of distance education provided by a school district.]~~ requires the preparation of an annual report of accountability for each school district and sponsor of charter schools in this State, as well as the for all public schools in the State as a whole. (NRS 385A.010-385A.520) Existing law imposes certain duties on the Superintendent of Public Instruction relating to the accountability of public schools. (NRS 385A.080) Section 3.3 of this bill additionally requires the Superintendent to establish metrics of performance for public schools for each grade and, along with each school district and charter school, publish such metrics on their respective Internet websites and report data on such metrics to the Governor, State Board of Education and Director of the Legislative Counsel Bureau for transmission to the Joint Interim Standing Committee on Education.

Existing law creates the Education Stabilization Account in the State Education Fund and allows the Interim Finance Committee to authorize the transfer of money in the Account to the State Education Fund if actual enrollment growth in a fiscal year exceeds projected enrollment growth or if the collection of revenue in a fiscal year results in the State Education Fund receiving 97 percent or less of the money authorized for expenditure from the State Education Fund. (NRS 387.1213) Section 3.5 of this bill additionally authorizes the Interim Finance Committee to transfer money from the Account to the State Education Fund if: (1) money deposited in the State Education Fund was found by an audit to have been deposited in error; or (2) an error in the application of the Pupil-Centered Funding Plan by the Department of Education creates a shortfall in the State Education Fund.

Existing law creates the Commission on School Funding and authorizes the Commission to meet only between July 1 of an odd-numbered year and September 30 of the subsequent even-numbered year. (NRS 387.1246) Section 4 of this bill : (1) requires the Commission to meet monthly; (2) authorizes the Commission to meet in person or, at the discretion of the Chair of the Commission, by use of a remote technology system; (3) authorizes the Commission to meet between July 1 of an odd-numbered year and December 31 of the subsequent even-numbered year; and (4) authorizes the Commission to also meet during any regular or special session of the

Legislature, if requested to do so by the chair of the Senate Standing Committee on Education, Assembly Standing Committee on Education, Senate Standing Committee on Finance, ~~or~~ Assembly Standing Committee on Ways and Means, ~~or~~ Interim Finance Committee. Section 4.5 of this bill expands the duties of the Commission by requiring the Commission to: (1) review the academic progress made by pupils in each public school; and (2) review and consider strategies to improve the accessibility of existing and new programs within and between public schools. Section 7.5 of this bill: (1) expires the terms of incumbent members of the Commission on June 30, 2023; (2) requires the appointment or reappointment of members of the Commission on or before July 1, 2023, to staggered terms; and (3) requires the Commission to hold its first meeting during Fiscal Year 2023-2024 on or before September 1, 2023.

Section 7 of this bill requires the Commission to conduct ~~an~~ interim studies on school funding and school accountability. Section 7 requires the interim study on school funding ~~that examines~~ to examine topics relating to: (1) the funding of building improvement and modernization projects by small school districts; (2) ~~performance metrics to assess the impact of increased investments in K-12 public education and accountability measures to ensure the effective use of such investments;~~ (3) the number of professional educators graduating from institutions of higher education in this State; ~~((4))~~ (3) the classification and compensation of professional educators and support personnel at public schools; and ~~((5))~~ (4) changes to the laws governing sales and use tax and property tax to fully fund public schools in this State at an optimal level of funding. Section 7 requires the interim study on school accountability to include recommendations for performance metrics to assess the impact of increased investments in K-12 public education and accountability measures to ensure the effective use of such investments. Section 6 of this bill appropriates ~~(\$320,000)~~ \$1,500,000 from the State General Fund to the Commission for the cost of the ~~study~~ studies required by section 7. Sections 6.3 and 6.5 of this bill appropriate money for the payment of travel and per diem expenses for members of the Commission on School Funding and employees of the Department of Education, respectively, for attending meetings of the Commission.

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

Section 1. ~~NRS 387.1214 is hereby amended to read as follows:~~
~~387.1214 1. After a direct legislative appropriation is made to the State Education Fund from the State General Fund pursuant to NRS 387.1212, the Legislature shall determine the statewide base per pupil funding amount for each fiscal year of the biennium, which is the amount of money expressed on a per pupil basis for the projected enrollment of the public schools in this State, determined to be sufficient by the Legislature to fund the costs of all public schools in this State to operate and provide general education to all pupils for any purpose for which specific funding is not appropriated pursuant to~~

~~paragraph (a), (b) or (c) of subsection 2 or NRS 387.122. It is the intent of the Legislature that the statewide base per pupil funding amount for any fiscal year, to the extent practicable, be not less than the statewide base per pupil funding amount for the immediately preceding fiscal year, adjusted by inflation, unless the amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the preceding fiscal year. If the amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the preceding fiscal year, it is the intent of the Legislature that a proportional reduction be made in both the statewide base per pupil funding amount and the weighted funding appropriated pursuant to paragraph (c) of subsection 2.~~

~~2. After a direct legislative appropriation is made to the State Education Fund from the State General Fund pursuant to NRS 387.1212, the money in the State Education Fund, excluding any amount of money in the Education Stabilization Account, must be appropriated as established by law for each fiscal year of the biennium for the following purposes:~~

~~(a) To each school district, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this purpose, to provide food services and transportation for pupils and any other similar service that the Legislature deems appropriate.~~

~~(b) To each school district, charter school or university school for profoundly gifted pupils, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this purpose, to provide local funding to support pupils with disabilities.~~

~~(c) To each school district, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this purpose, to provide [adjusted].~~

~~(1) The statewide base per pupil funding amount for each pupil estimated to be enrolled full time in a program of distance education provided by the school district; and~~

~~(2) Adjusted base per pupil funding for each pupil estimated to be enrolled in the school district [.] other than a pupil identified in subparagraph (1).~~

~~(d) To each charter school or university school for profoundly gifted pupils, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this purpose, to provide:~~

~~(1) The statewide base per pupil funding amount for each pupil estimated to be enrolled full time in a program of distance education provided by the charter school or university school for profoundly gifted pupils; and~~

~~(2) Adjusted base per pupil funding for each pupil estimated to be enrolled in the charter school or university school for profoundly gifted pupils other than a pupil identified in subparagraph (1).~~

~~(e) To each school district, charter school or university school for profoundly gifted pupils, an amount of money determined to be sufficient by the Legislature, when combined with any other resources available for this~~

~~purpose, to provide additional weighted funding for each pupil estimated to be enrolled in the school district, charter school or university school for profoundly gifted pupils who is:~~

- ~~— (1) An English learner;~~
- ~~— (2) An at-risk pupil; or~~
- ~~— (3) A gifted and talented pupil.~~

~~3. The adjusted base per pupil funding appropriated pursuant to subparagraph (2) of paragraph (c) of subsection 2 for each school district must be determined by applying the cost adjustment factor established pursuant to NRS 387.1215 which applies to the school district and the attendance area adjustment established pursuant to NRS 387.1218 which applies to each applicable area of the school district to the statewide base per pupil funding amount.~~

~~4. The adjusted base per pupil funding appropriated pursuant to subparagraph (2) of paragraph (d) of subsection 2 for each charter school or university school for profoundly gifted pupils must be determined by applying the cost adjustment factor established pursuant to NRS 387.1215 which applies to the charter school or university school and, if applicable, the attendance area adjustment established pursuant to NRS 387.1218 to the statewide base per pupil funding amount.~~

~~5. The weighted funding appropriated pursuant to paragraph (e) of subsection 2 must be established separately for each category of pupils identified in that paragraph and expressed as a multiplier to be applied to the statewide base per pupil funding amount determined pursuant to subsection 1. A pupil who belongs to more than one category of pupils or for whom a school district, charter school or university school for profoundly gifted pupils is eligible to receive the statewide multiplier pursuant to NRS 387.122 must receive only the weighted funding for the single category to which the pupil belongs which has the largest multiplier or the statewide multiplier, whichever is larger. It is the intent of the Legislature that, to the extent practicable:~~

~~— (a) The multiplier for each category of pupils for any fiscal year be not less than the multiplier for the immediately preceding fiscal year unless:~~

~~— (1) The amount of money contained in the State Education Fund, excluding the Education Stabilization Account, decreases from the preceding fiscal year, in which event it is the intent of the Legislature that a proportional reduction be made in both the statewide base per pupil funding amount and the weighted funding appropriated pursuant to paragraph (e) of subsection 2; or~~

~~— (2) The amount of money contained in the State Education Fund, excluding the Education Stabilization Account, increases from the preceding fiscal year but in an amount which, after funding the appropriations required by paragraphs (a) to (d), inclusive, of subsection 2, is insufficient to fund the multiplier for each category of pupils, in which event it is the intent of the Legislature that the remaining money in the State Education Fund be used to provide a multiplier for each category of pupils which is as close as practicable to the multiplier for the preceding fiscal year;~~

~~—(b) The recommendations of the Commission for the multiplier for each category of pupils be considered and the multiplier for one category of pupils may be changed by an amount that is not proportional to the change in the multiplier for one or more other categories of pupils if the Legislature determines that a disproportionate need to serve the pupils in the affected category exists; and~~

~~—(c) If the multipliers for all categories of pupils in a fiscal year are increased from the multipliers in the immediately preceding fiscal year, a proportional increase is considered for the statewide base per pupil funding amount.~~

~~—6. For any money identified in subsection 4 of NRS 362.170 which is deposited to the credit of the State Education Fund:~~

~~—(a) The amount of such money for the county from which the money was collected that does not exceed the total amount of money appropriated pursuant to subsection 2 to the county school district is deemed to be the first money appropriated pursuant to subsection 2 for that county school district.~~

~~—(b) The amount of such money for the county from which the money was collected which exceeds the total amount of money appropriated pursuant to subsection 2 to the county school district must be transferred to the county school district and is hereby authorized for expenditure as a continuing appropriation for the purpose of mitigating the adverse effects of the cyclical nature of the industry of extracting and processing minerals on the ability of the county school district to offer its pupils a reasonably equal educational opportunity.~~

~~—7. The weighted funding appropriated pursuant to paragraph (e) of subsection 2:~~

~~—(a) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district or the governing body of a charter school and the school district or governing body or to settle any negotiations; and~~

~~—(b) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district. (Deleted by amendment.)~~

Sec. 2. ~~[NRS 387.1223 is hereby amended to read as follows:~~

~~—387.1223 1. On or before October 1, January 1, April 1 and July 1, each school district shall report to the Department, in the form prescribed by the Department, the average daily enrollment of pupils pursuant to this section for the immediately preceding quarter of the school year. If October 1, January 1, April 1 or July 1 falls on a Saturday, Sunday or legal holiday, the report may be submitted before 5 p.m. on the next business day.~~

~~—2. Except as otherwise provided in subsection 3, the yearly apportionment from the State Education Fund for each school district must be computed by:~~

~~—(a) Multiplying the adjusted base per pupil funding established for that school district for that school year by the sum of:~~

~~—(1) The count of pupils enrolled in kindergarten and grades 1 to 12, inclusive, in a public school in the school district based on the average daily enrollment of those pupils during the quarter [.] , excluding the count of pupils~~

~~enrolled full time in a program of distance education provided by that school district.~~

~~— (2) [The count of pupils not included under subparagraph (1) who are enrolled full time in a program of distance education provided by that school district, based on the average daily enrollment of those pupils during the quarter.~~

~~— (3) The count of pupils who reside in the county and are enrolled:~~

~~— (I) In a public school of the school district and are concurrently enrolled part time in a program of distance education provided by another school district or a charter school, based on the average daily enrollment of those pupils during the quarter.~~

~~— (II) In a charter school and are concurrently enrolled part time in a program of distance education provided by the school district, based on the average daily enrollment of those pupils during the quarter.~~

~~— [(4)] (3) The count of pupils not included under subparagraph (1) [,] or (2), [or (3),] who are receiving special education pursuant to the provisions of NRS 388.417 to 388.469, inclusive, and 388.5251 to 388.5267, inclusive, based on the average daily enrollment of those pupils during the quarter and excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435.~~

~~— [(5)] (4) Six tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435, based on the average daily enrollment of those pupils during the quarter.~~

~~— [(6)] (5) The count of children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of NRS 388.550, 388.560 and 388.570, based on the average daily enrollment of those pupils during the quarter.~~

~~— [(7)] (6) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 1 of NRS 388A.471, subsection 1 of NRS 388A.474 or subsection 1 of NRS 392.074, based on the average daily enrollment of pupils during the quarter and expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (1).~~

~~— [(8)] (7) The count of pupils enrolled in a challenge school based on the average daily enrollment of those pupils calculated in the manner set forth in an agreement entered into pursuant to NRS 388D.330.~~

~~— (b) Adding to the amount computed in paragraph (a) [the]:~~

~~— (1) The sum of the count of pupils not included under subparagraph (1) of paragraph (a) who are enrolled full time in a program of distance education provided by that school district, based on the average daily enrollment of those pupils during the quarter, multiplied by the statewide base per pupil funding amount established for that school year; and~~

~~— (2) The amounts appropriated pursuant to paragraphs (a), (b) and (c) of subsection 2 of NRS 387.1214.~~

~~3. Except as otherwise provided in subsection 4, if the enrollment of pupils in a school district or a charter school that is located within the school district based on the average daily enrollment of pupils during the quarter of the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school based on the average daily enrollment of pupils during the same quarter of the immediately preceding school year, the enrollment of pupils during the same quarter of the immediately preceding school year must be used for purposes of making the monthly apportionments from the State Education Fund to that school district or charter school pursuant to NRS 387.124.~~

~~4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 3, including, without limitation, by eliminating grades or moving into smaller facilities, the enrollment number from the current school year must be used for purposes of apportioning money from the State Education Fund to that school district or charter school pursuant to NRS 387.124.~~

~~5. The Department shall prescribe a process for reconciling the quarterly reports submitted pursuant to subsection 1 to account for pupils who leave the school district or a public school during the school year.~~

~~6. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees must be credited with attendance during that period.~~

~~7. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing the yearly apportionment pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.~~

~~8. Pupils who are enrolled in courses which are approved by the Department as meeting the requirements for an adult to earn a high school diploma must not be counted for the purpose of computing the yearly apportionment pursuant to this section. (Deleted by amendment.)~~

Sec. 3. ~~[NRS 387.12445 is hereby amended to read as follows:~~

~~387.12445 1. Except as otherwise provided in subsection 2, each school district shall ensure that all *statewide base per pupil funding and adjusted base per pupil funding* received by the school district pursuant to paragraph (c) of subsection 2 of NRS 387.1214 is accounted for separately and, after a deduction for the administrative expenses of the school district in an amount which does not exceed the amount prescribed by the Department by regulation for each school district, be distributed and used as described in this subsection. The *statewide base per pupil funding and adjusted base per pupil funding* provided to each school district must~~

~~(a) Be distributed by each school district to its public schools in a manner that ensures each pupil in the school district receives a reasonably equal educational opportunity.~~

~~—(b) Be used to support the educational needs of all pupils in the school district, including, without limitation, operating each public school in the school district, training and supporting educational personnel and carrying out any program or service established by, or requirement imposed pursuant to, this title for any purpose for which specific funding is not appropriated pursuant to paragraph (a), (b) or (c) of subsection 2 of NRS 387.1214 or NRS 387.122.~~

~~—2. If a school district determines that an additional amount of money is necessary to satisfy requirements for maintenance of effort or any other requirement under federal law for pupils with disabilities enrolled in the school district, the school district may transfer the necessary amount of money from the statewide base per pupil funding or adjusted base per pupil funding received by the school district for that purpose.~~

~~—3. Each school district shall ensure that all weighted funding received by the school district pursuant to paragraph (c) of subsection 2 of NRS 387.1214 is accounted for separately and distributed directly to each school in which the relevant pupils are estimated to be enrolled.~~

~~—4. Each public school shall account separately for the local funding for pupils with disabilities received by the public school pursuant to paragraph (b) of subsection 2 of NRS 387.1214, for the statewide base per pupil funding received by the public school pursuant to subparagraph (1) of paragraph (c) of subsection 2 of NRS 387.1214, for the adjusted base per pupil funding received by the public school pursuant to subparagraph (2) of paragraph (c) of subsection 2 of NRS 387.1214, for each category of weighted funding received by the public school pursuant to paragraph (c) of subsection 2 of NRS 387.1214 and for money received from the statewide multiplier pursuant to NRS 387.122. Unless the provisions of subsection 7 or 8 impose greater restrictions on the use of weighted funding by a public school, the public school must use the weighted funding received for each relevant pupil:~~

~~—(a) As a supplement to the statewide base per pupil funding or adjusted base per pupil funding received for the pupil; and~~

~~—(b) Solely for the purpose of providing such additional educational programs, services or support as are necessary to ensure the pupil receives a reasonably equal educational opportunity.~~

~~—5. Except as otherwise provided in subsection 6, the separate accounting required by subsection 4 for pupils with disabilities and gifted and talented pupils must include:~~

~~—(a) The amount of money provided to the public school for special education; and~~

~~—(b) The cost of:~~

~~—(1) Instruction provided by licensed special education teachers and supporting staff;~~

~~—(2) Related services, including, without limitation, services provided by psychologists, therapists and health-related personnel;~~

~~(3) Transportation of the pupils with disabilities and gifted and talented pupils to and from school;~~

~~(4) The direct supervision of educational and supporting programs; and~~

~~(5) The supplies and equipment needed for providing special education.~~

~~6. Money received from federal sources must be accounted for separately and excluded from the accounting required pursuant to subsection 5.~~

~~7. A public school that receives weighted funding for one or more at-risk pupils must use that weighted funding only to provide Victory services and, if one or more at-risk pupils for whom the school received weighted funding in the at-risk pupil category also belong to one or more other categories of pupils who receive weighted funding, the additional services for each such at-risk pupil which are appropriate for each category to which the at-risk pupil belongs.~~

~~8. A public school that receives weighted funding for one or more pupils who are English learners must use that weighted funding only to provide Zoom services and, if one or more English learners for whom the school received weighted funding in the English learner category also belong to one or more other categories of pupils who receive weighted funding, the additional services for each such English learner which are appropriate for each category to which the English learner belongs.~~

~~9. The Department shall adopt regulations prescribing the maximum amount of money that each school district may deduct for its administrative expenses from the statewide base per pupil funding and adjusted base per pupil funding received by the school district. When adopting such regulations, the Department may express the maximum amount of money that may be deducted as a percentage of the statewide base per pupil funding and adjusted base per pupil funding received by the school district.~~

~~10. As used in this section:~~

~~(a) "Victory services" means any one or more of the following services:~~

~~(1) A prekindergarten program provided free of charge.~~

~~(2) A summer academy or other instruction for pupils provided free of charge at times during the year when school is not in session.~~

~~(3) Additional instruction or other learning opportunities provided free of charge at times of day when school is not in session.~~

~~(4) Professional development for teachers and other educational personnel concerning instructional practices and strategies that have proven to be an effective means to increase pupil achievement in populations of at-risk pupils.~~

~~(5) Incentives for hiring and retaining teachers and other licensed educational personnel who provide Victory services.~~

~~(6) Employment of paraprofessionals, other educational personnel and other persons who provide Victory services.~~

~~(7) A reading skills center.~~

~~(8) Integrated student supports, wrap-around services and evidence-based programs designed to meet the needs of at-risk pupils.~~

~~(9) Any other service or program that has a demonstrated record of success for similarly situated pupils in comparable school districts and has been reviewed and approved as a Victory service by the Superintendent of Public Instruction.~~

~~(b) "Zoom services" means any one or more of the following services:~~

~~(1) A prekindergarten program provided free of charge.~~

~~(2) A reading skills center.~~

~~(3) Professional development for teachers and other licensed educational personnel regarding effective instructional practices and strategies for pupils who are English learners.~~

~~(4) Incentives for hiring and retaining teachers and other licensed educational personnel who provide Zoom services.~~

~~(5) Engagement and involvement with parents and families of pupils who are English learners, including, without limitation, increasing effective, culturally appropriate communication with and outreach to parents and families to support the academic achievement of those pupils.~~

~~(6) A summer academy or, for those schools that do not operate on a traditional school calendar, an intersession academy provided free of charge, including, without limitation, the provision of transportation to attend the summer academy or intersession academy.~~

~~(7) An extended school day.~~

~~(8) Any other service or program that has a demonstrated record of success for similarly situated pupils in comparable school districts and has been reviewed and approved as a Zoom service by the Superintendent of Public Instruction.~~ (Deleted by amendment.)

Sec. 3.3. NRS 385A.080 is hereby amended to read as follows:

385A.080 1. The Superintendent of Public Instruction shall:

(a) Prescribe forms for the reports required pursuant to NRS 385A.070 and provide the forms to the respective school districts, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school.

(b) Provide statistical information and technical assistance to the school districts, the State Public Charter School Authority and each college or university within the Nevada System of Higher Education that sponsors a charter school to ensure that the reports provide comparable information with respect to each school in each district, each charter school and among the districts and charter schools throughout this State.

(c) Consult with a representative of the:

- (1) Nevada State Education Association;
- (2) Nevada Association of School Boards;
- (3) Nevada Association of School Administrators;
- (4) Nevada Parent Teacher Association;
- (5) Budget Division of the Office of Finance;
- (6) Legislative Counsel Bureau; and
- (7) Charter School Association of Nevada,

↪ concerning the program adopted pursuant to subsection 1 of NRS 385A.070 and consider any advice or recommendations submitted by the representatives with respect to the program.

(d) Establish metrics of performance for public schools for each grade which include, without limitation, metrics for:

(1) The growth and proficiency of pupils in literacy, mathematics and science;

(2) The engagement and proficiency of pupils in courses for college and career readiness; and

(3) The retention and recruitment of teachers and education support professionals.

2. The Superintendent of Public Instruction may consult with representatives of parent groups other than the Nevada Parent Teacher Association concerning the program adopted pursuant to subsection 1 of NRS 385A.070 and consider any advice or recommendations submitted by the representatives with respect to the program.

3. The Superintendent of Public Instruction and each school district and charter school shall:

(a) Publish the metrics established pursuant to paragraph (d) of subsection 1 on their respective Internet websites; and

(b) On or before October 1 of each year, report data relating to each metric established pursuant to paragraph (d) of subsection 1 to the Governor, the State Board and the Director of the Legislative Counsel Bureau for transmission to the Joint Interim Standing Committee on Education.

Sec. 3.5. NRS 387.1213 is hereby amended to read as follows:

387.1213 1. The Education Stabilization Account is hereby created in the State Education Fund. Except as otherwise provided in subsections 3 and 4, each year after the close of the previous fiscal year and before the issuance of the State Controller's annual report, each county school district shall transfer from the county school district fund to the Education Stabilization Account any amount by which the budgeted ending fund balance of the county school district fund exceeds 16.6 percent of the total budgeted expenditures for the fund. The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.

2. Money transferred pursuant to subsection 1 to the Education Stabilization Account is a continuing appropriation solely for the purpose of authorizing the expenditure of the transferred money for the purposes set forth in this section.

3. The balance in the Education Stabilization Account must not exceed 15 percent of the total of all appropriations and authorizations from the State Education Fund, excluding the Education Stabilization Account, for the immediately preceding fiscal year. Any money transferred to the Education Stabilization Account which exceeds this amount must instead be transferred to the State Education Fund.

4. If the Interim Finance Committee finds that:

(a) Upon submission of a request from the Department, the actual enrollment growth for a fiscal year exceeds the projected enrollment growth by an amount that the Interim Finance Committee determines would make a transfer of money to the State Education Fund necessary to fund the excess enrollment; ~~for~~

(b) The collection of revenue in any fiscal year will result in the State Education Fund receiving 97 percent or less of the money authorized for expenditure from the State Education Fund ~~for~~;

(c) Upon submission of a request from the Department, any amount of money which was deposited in the State Education Fund is found by an audit to have been deposited in error; or

(d) Upon submission of a request from the Department, any error in the application of the Pupil-Centered Funding Plan by the Department has created a shortfall in the State Education Fund.

↪ the Committee shall by resolution establish an amount of money to transfer from the Education Stabilization Account to the State Education Fund and direct the State Controller to transfer that amount to the State Education Fund. The State Controller shall thereupon make the transfer.

5. The balance remaining in the State Education Fund, excluding the balance remaining in the Education Stabilization Account, that has not been committed for expenditure on or before June 30 of an odd-numbered fiscal year must be transferred to the Education Stabilization Account to the extent that such a transfer would not cause the balance in the Education Stabilization Account to exceed the limit established in subsection 3.

Sec. 4. NRS 387.1246 is hereby amended to read as follows:

387.1246 1. The Commission on School Funding, consisting of 11 members, is hereby created.

2. The Commission consists of the following members, who may not be Legislators:

- (a) One member appointed by the Governor, who serves as Chair;
- (b) Two members appointed by the Majority Leader of the Senate;
- (c) Two members appointed by the Speaker of the Assembly;
- (d) One member appointed by the Minority Leader of the Senate;
- (e) One member appointed by the Minority Leader of the Assembly;
- (f) Two members appointed by the Governor, each of whom is the chief financial officer of a school district in this State which has more than 40,000 pupils enrolled in its public schools, nominated by the Nevada Association of School Superintendents or its successor organization; and
- (g) Two members appointed by the Governor, each of whom is the chief financial officer of a school district in this State which has 40,000 or fewer pupils enrolled in its public schools, nominated by the Nevada Association of School Superintendents or its successor organization.

↪ In making appointments to the Commission, the appointing authorities shall consider whether the membership generally reflects the geographic distribution of pupils in the State.

3. Each member of the Commission must:

- (a) Be a resident of this State;
- (b) Not have been registered as a lobbyist pursuant to NRS 218H.200 for a period of at least 2 years immediately preceding appointment to the Commission;
- (c) Have relevant experience in public education;
- (d) Have relevant experience in fiscal policy, school finance or similar or related financial activities;
- (e) Have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Commission; and
- (f) Have demonstrated ability in the field of economics, taxation or other discipline necessary to school finance and be able to bring knowledge and professional judgment to the deliberations of the Commission.

4. Each member of the Commission serves a term of 3 years and may be reappointed to additional terms.

5. Each member may be removed by the appointing authority for good cause. A vacancy on the Commission must be filled in the same manner as the original appointment.

6. The Commission shall:

- (a) Elect a Vice Chair from among its members at its first meeting for a term of 3 years. A vacancy in the office of Vice Chair must be filled by the Commission by election for the remainder of the existing term.
- (b) Adopt such rules governing the conduct of the Commission as it deems necessary.

(c) ~~Hold its first meeting on or before October 1, 2019,~~ Meet at least once each month and hold such ~~additional~~ number of meetings as may be necessary to accomplish the tasks assigned to it in the time allotted.

(d) Meet in person or, at the discretion of the Chair in consultation with the Superintendent of Public Instruction based on the items on the agenda for a meeting, by use of a remote technology system, as defined in NRS 241.015.

7. A majority of the members of the Commission constitutes a quorum and a majority of those present must concur in any decision.

8. The Department shall provide the Commission with meeting rooms, data processing services and administrative and clerical assistance. The Superintendent of Public Instruction and Office of Finance shall jointly provide the Commission with professional staff services.

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

10. The Commission may meet only ~~between~~ :

(a) Between July 1 of an odd-numbered year and ~~September 30~~ December 31 of the subsequent even-numbered year ; or

(b) During any regular or special session of the Legislature, if requested to do so by the chair of the:

- (1) Senate Standing Committee on Education;

- (2) *Assembly Standing Committee on Education;*
- (3) *Senate Standing Committee on Finance; ~~for~~*
- (4) *Assembly Standing Committee on Ways and Means ~~for~~; or*
- (5) *Interim Finance Committee.*

Sec. 4.5. NRS 387.12463 is hereby amended to read as follows:

387.12463 1. The Commission shall:

(a) Provide guidance to school districts and the Department on the implementation of the Pupil-Centered Funding Plan.

(b) Monitor the implementation of the Pupil-Centered Funding Plan and make any recommendations to the Joint Interim Standing Committee on Education that the Commission determines would, within the limits of appropriated funding, improve the implementation of the Pupil-Centered Funding Plan or correct any deficiencies of the Department or any school district or public school in carrying out the Pupil-Centered Funding Plan.

(c) Review the statewide base per pupil funding amount, the adjusted base per pupil funding for each school district and the multiplier for weighted funding for each category of pupils appropriated by law pursuant to NRS 387.1214 for each biennium and recommend any revisions the Commission determines to be appropriate to create an optimal level of funding for the public schools in this State, including, without limitation, by recommending the creation or elimination of one or more categories of pupils to receive additional weighted funding. If the Commission makes a recommendation pursuant to this paragraph which would require more money to implement than was appropriated from the State Education Fund in the immediately preceding biennium, the Commission shall also identify a method to fully fund the recommendation within 10 years after the date of the recommendation.

(d) Review the laws and regulations of this State relating to education, make recommendations to the Joint Interim Standing Committee on Education for any revision of such laws and regulations that the Commission determines would improve the efficiency or effectiveness of public education in this State and notify each school district of each such recommendation.

(e) Review and recommend to the Department revisions of the cost adjustment factors for each county established pursuant to NRS 387.1215 and the method for calculating the attendance area adjustment established pursuant to NRS 387.1218.

(f) *Review the academic progress made by pupils in each public school since the implementation of the Pupil-Centered Funding Plan, including, without limitation, any changes to the academic progress of such pupils as the result of any additional money provided to each such school by the Pupil-Centered Funding Plan. In performing such a review, the Commission shall:*

(1) *Use metrics to measure the academic achievement of pupils which include, without limitation:*

(I) The rate of graduation of pupils from high school by type of diploma;

(II) The performance of pupils on standardized examinations in math, reading and science;

(III) The number of credentials or other certifications in fields of career and technical education earned by pupils;

(IV) The number of pupils who earn a passing score on an advanced placement examination;

(V) The number of pupils who earn a passing score on an international baccalaureate examination;

(VI) The percentage of pupils in each school who lack a sufficient number of credits to graduate by the end of their 12th grade year;

(VII) The percentage of pupils in each school who drop out;

(VIII) The number of pupils who enroll in higher education upon graduation;

(IX) The number of pupils who enroll in a vocational or technical school or apprenticeship training program;

(X) The attendance rate for pupils;

(XI) The number of violent acts by pupils and disciplinary actions against pupils; and

(XII) Any other metric prescribed by the Commission;

(2) Use metrics to measure the improvement of pupils enrolled in elementary school in literacy which include, without limitation:

(I) The literacy rate for pupils in first, third and fifth grades;

(II) The number of pupils in elementary school who were promoted to the next grade after testing below proficient in reading in the immediately preceding school year, separated by grade level and by level of performance on the relevant test;

(III) The number of schools that employ a licensed teacher designated to serve as a literacy specialist pursuant to NRS 388.159 and the number of schools that fail to employ and designate such a licensed teacher; and

(IV) Any other metric prescribed by the Commission;

(3) Use metrics to measure the ability of public schools to hire and retain sufficient staff to meet the needs of the public schools which include, without limitation:

(I) The rate of vacancies in positions for teachers, support staff and administrators;

(II) The attendance rate for teachers;

(III) The retention rate for teachers;

(IV) The number of schools and classrooms within each school in which the number of pupils in attendance exceeds the designed capacity for the school or classroom;

(V) The number of classes taught by a substitute teacher for more than 25 percent of the school year; and

(VI) Any other metric prescribed by the Commission;

(4) Use metrics to measure the extent to which schools meet the needs and expectations of pupils, parents or legal guardians of pupils, teachers and administrators which include, without limitation:

(I) The results of an annual survey of satisfaction of school employees;

(II) The results of an annual survey of satisfaction of pupils, parents or legal guardians of pupils and graduates; and

(III) Any other metric prescribed by the Commission;

(5) Identify the progress made by each school, school district and charter school on improving the literacy of pupils enrolled in elementary school;

(6) Make recommendations for strategies to increase the efficacy, efficiency, transparency and accountability of public schools; and

(7) Make recommendations to the Department, school districts and charter schools to improve the reporting, tracking, monitoring, analyzing and dissemination of data relating to pupil achievement and financial accountability, including, without limitation, revisions to the metrics identified in subparagraphs (1) to (4), inclusive.

(g) Review and consider strategies to improve the accessibility of existing and new programs for pupils within and between public schools, including, without limitation, open zoning.

2. The Commission shall present any recommendations pursuant to paragraphs (a) to (d), inclusive, of subsection 1 at a meeting of the Joint Interim Standing Committee on Education for consideration and revision by the Committee. The Joint Interim Standing Committee on Education shall review each recommendation of the Commission and determine whether to transmit the recommendation or a revised version of the recommendation to the Governor or the Legislature.

Sec. 5. ~~NRS 387.12468 is hereby amended to read as follows:~~

~~387.12468 1. On or before October 1 of each year, each school district shall create a report that includes a description of the personnel employed and services provided by the school district during the immediately preceding school year and any changes that the school district anticipates making to the personnel and services during the current school year. The school district shall post a copy of the report on the Internet website maintained by the school district.~~

~~2. On or before October 1 of each year, each public school shall create a report that includes a description of the personnel employed and services provided by the school during the immediately preceding school year and any changes the school anticipates making to the personnel and services during the current school year. The public school shall post a copy of the report on the Internet website maintained by the public school or, if the public school does not maintain an Internet website, on the Internet website maintained by the school district or the governing body or sponsor of the public school, as applicable.~~

~~3. The Department shall prescribe by regulation the format and contents of the information to be provided to create the report created by each school~~

~~district pursuant to subsection 1 and each public school pursuant to subsection 2. The reports must include, as applicable and without limitation:~~

- ~~— (a) Each grade level at which the public school enrolls pupils;~~
 - ~~— (b) The number of pupils attending the public school;~~
 - ~~— (c) The average class size at the public school;~~
 - ~~— (d) The number of persons employed by the public school to provide instruction, support to pupils, administrative support and other personnel including, without limitation, the number of employees in any subgroup of each type or classification of personnel as prescribed by the Department;~~
 - ~~— (e) The professional development provided by the public school;~~
 - ~~— (f) The amount of money spent per pupil for supplies, materials, equipment and textbooks;~~
 - ~~— (g) For each category of pupils for which the public school receives any additional funding, including, without limitation, pupils with disabilities, pupils who are English learners, at risk pupils and gifted and talented pupils:

 - ~~— (1) The number of pupils in each category who attend the public school;~~
 - ~~— (2) If the Department determines that pupils within a category must be divided based on severity of need, the number of pupils in each such subcategory; and~~
 - ~~— (3) The number of persons employed to provide instruction, support to pupils, administrative support and other personnel employed by the public school and dedicated to providing services to each category or subcategory of pupils, including, without limitation, any subgroup of each kind of personnel prescribed by the Department;~~~~
 - ~~— (h) The total amount of money received to support the operations of the public school, divided by the number of pupils enrolled in the public school and expressed as a per pupil amount;~~
 - ~~— (i) The total amount of money received by the public school as statewide base per pupil funding, divided by the number of pupils enrolled full time in a program of distance education provided by the public school and expressed as a per pupil amount;~~
 - ~~— (j) The total amount of money received by the public school as adjusted base per pupil funding, divided by the number of pupils enrolled in the public school, not including pupils enrolled full time in a program of distance education, and expressed as a per pupil amount; and~~
 - ~~— [(j)] (k) The amount of money received by the public school as weighted funding for each category of pupils supported by weighted funding, divided by the number of pupils enrolled in the public school who are identified in the appropriate category and expressed as a per pupil amount for each category.]~~
- ~~(Deleted by amendment.)~~

Sec. 6. 1. There is hereby appropriated from the State General Fund to the Commission on School Funding created by NRS 387.1246 the sum of ~~[\$220,000]~~ \$1,500,000 for the cost of conducting the ~~[study of school funding]~~ studies required by section 7 of this act.

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. 6.3. 1. There is hereby appropriated from the State General Fund to the Department of Education the sum of \$10,000 in Fiscal Year 2024-2025 for the payment of travel and per diem expenses for members of the Commission on School Funding created by NRS 387.1246.

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. 6.5. 1. There is hereby appropriated from the State General Fund to the Department of Education for the payment of travel and per diem expenses for employees of the Department to attend meetings of the Commission on School Funding created by NRS 387.1246 the following sums:

<u>For the Fiscal Year 2023-2024</u>	<u>\$6,200</u>
<u>For the Fiscal Year 2024-2025</u>	<u>\$6,200</u>

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. 7. 1. The Commission on School Funding created by NRS 387.1246 shall conduct an interim study concerning school funding. The study must include, without limitation, an examination of:

(a) Methods to enable small school districts to acquire capital and engage in building improvement and modernization projects, including, without limitation:

(1) The creation of a revolving fund to make loans to small school districts;

(2) The allocation of additional funding to the Nevada State Infrastructure Bank and implementation of changes to statute or regulation as necessary to permit the Nevada State Infrastructure Bank to provide financial assistance to smaller school districts; and

(3) Financial assistance through the Municipal Bond Bank pursuant to NRS 350A.010 to 350A.210, inclusive.

~~(b) Recommendations for performance metrics to assess the impact of increased investments in K-12 public education and accountability measures to ensure the effective use of such investments in K-12 public education.~~

~~(c)~~ The number of teachers graduating from institutions of higher education in this State each year relative to the number of teacher positions sought to be filled by school districts in this State each year.

~~(d)~~ (c) The classification and compensation of teachers and support personnel at public schools in this State and whether insufficient compensation is contributing to the difficulty in attracting and retaining teachers and support personnel at public schools.

~~(e)~~ (d) Recommendations for changes to the laws governing sales and use tax and property tax to fully fund public schools in this State at an optimal level of funding.

2. The Commission on School Funding created by NRS 387.1246 shall conduct an interim study concerning school accountability. The study must include, without limitation, recommendations for performance metrics to assess the impact of increased investments in K-12 public education and accountability measures to ensure the effective use of such investments in K-12 public education.

3. On or before November 15, 2024, the Commission shall submit a report of its findings ~~from~~ from the studies performed pursuant to subsections 1 and 2, including, without limitation, any recommendations for legislation, to the Governor and the Director of the Legislative Counsel Bureau for transmittal to the 83rd Session of the Nevada Legislature.

Sec. 7.5. 1. The terms of the members of the Commission on School Funding appointed pursuant to NRS 387.1246 who are incumbent on June 30, 2023, expire on that date.

2. Notwithstanding the provisions of subsection 4 of NRS 387.1246, as amended by section 4 of this act, on or before July 1, 2023:

(a) The Governor shall:

(1) Appoint to the Commission on School Funding to serve initial terms that expire on July 1, 2025:

(I) One member described in paragraph (f) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(II) One member described in paragraph (g) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(2) Appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2026:

(I) One member described in paragraph (a) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(II) One member described in paragraph (f) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(III) One member described in paragraph (g) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(b) The Majority Leader of the Senate shall:

(1) Appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2025, one member described in paragraph (b) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(2) Appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2026, one member described in paragraph (b) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(c) The Speaker of the Assembly shall:

(1) Appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2025, one member described in paragraph (c) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(2) Appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2026, one member described in paragraph (c) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(d) The Minority Leader of the Senate shall appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2026, one member described in paragraph (d) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

(e) The Minority Leader of the Assembly shall appoint to the Commission on School Funding to serve an initial term that expires on July 1, 2025, one member described in paragraph (e) of subsection 2 of NRS 387.1246, as amended by section 4 of this act.

3. The Governor, Majority Leader of the Senate, Speaker of the Assembly, Minority Leader of the Senate and Minority Leader of the Assembly may reappoint a member of the Commission on School Funding whose term expires on June 30, 2023, if that member meets the qualifications for membership prescribed by subsection 2 of NRS 387.1246, as amended by section 4 of this act.

4. The Commission on School Funding shall hold its first meeting during Fiscal Year 2023-2024 not later than September 1, 2023.

5. As used in this section, "Commission on School Funding" means the Commission on School Funding created by NRS 387.1246, as amended by section 4 of this act.

Sec. 8. This act becomes effective on July 1, 2023.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 852 to Senate Bill No. 98 revises the following sections of the bill. It deletes sections 1, 2, 3 and 5 of the bill, which eliminates the proposed changes to the Pupil-Centered Funding Plan that were included in the bill as introduced. It adds section 3.3, which requires the

Superintendent of Public Instruction to establish performance metrics for public schools, including the growth and proficiency of students in literacy, mathematics and science, the engagement and proficiency of pupils in courses for college and career readiness, and the retention and recruitment of teachers and education support professionals. Section 3.3 also requires the Superintendent of Public Instruction in each school district and charter school to publish the performance metrics on their respective websites and report on data for each metric annually to the Governor, the State Board of Education and the Joint Interim Standing Committee on Education. It adds section 3.5, which revises the instances in which the Interim Finance Committee shall establish an amount of money to transfer from the Education Stabilization Account to the State Education Fund to include, upon submission of a request from the Department [of Education]; any amount of money which was deposited in the State Education Fund is found by an audit to have been deposited in error and any error in the application of the Pupil-Centered Funding Plan by the Department has created a shortfall in the State Education Fund. It revises section 4 by requiring the Commission on School Funding to meet monthly either remotely or in person and outlining the time frame and circumstances in which the Commission is allowed to meet. It adds section 4.5, which revises the Commission's duties and responsibilities to include reviewing the academic progress made by pupils in each public school since the implementation of the Pupil-Centered Funding Plan utilizing various metrics. It revises section 6, which increases the General Fund appropriation to the Commission on School Funding from \$320,000 to \$1,500,000 million for the cost of conducting studies. It adds section 6.3 and 6.5, which provides a General Fund appropriation of \$10,000 in Fiscal Year (FY) 2025 to the Department of Education for the commissioned member travel expenses and provides General Fund appropriations of \$6,200 for FY 2024-2025 to the Department of Education for department staff travel for Commission meetings. It revises section 7, which adds an interim study concerning school accountability to be completed by the Commission and adds section 7.5, which revises the appointment in terms of the members of the Commission on School Funding.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 189.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 880.

SUMMARY—Makes an appropriation to Communities In Schools of Nevada for the purpose of providing integrated student support services. (BDR S-499)

AN ACT making an appropriation to Communities In Schools of Nevada to provide integrated student support services to pupils enrolled in public schools in this State; 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 Communities In Schools of Nevada the sum of ~~[\$6,900,000]~~ \$2,000,000 for the purpose of providing integrated support services, including, without limitation, services related to academics, basic needs, physical and mental health and social and life skills to pupils enrolled in public schools in this State.

2. Upon acceptance of the money appropriated by subsection 1, Communities In Schools of Nevada agrees to:

(a) Prepare and transmit a report to the Interim Finance Committee on or before December 20, 2024, that describes each expenditure made from the

money appropriated by subsection 1 from the date on which the money was received by Communities In Schools of Nevada through December 1, 2024;

(b) Prepare and transmit a final report to the Interim Finance Committee on or before September 19, 2025, that describes each expenditure made from the money appropriated by subsection 1 from the date on which the money was received by Communities In Schools of Nevada through June 30, 2025; and

(c) Upon request of the Legislative Commission, make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, of Communities In Schools of Nevada, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of the money appropriated pursuant to subsection 1.

3. 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. 880 to Senate Bill No. 189 revises the General Fund appropriation provided to Communities in Schools of Nevada from \$6.9 million to \$2 million.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 50.

Bill read second time and ordered to third reading.

Assembly Bill No. 130.

Bill read second time and ordered to third reading.

Assembly Bill No. 135.

Bill read second time and ordered to third reading.

Assembly Bill No. 153.

Bill read second time and ordered to third reading.

Assembly Bill No. 260.

Bill read second time and ordered to third reading.

Assembly Bill No. 270.

Bill read second time and ordered to third reading.

Assembly Bill No. 277.

Bill read second time and ordered to third reading.

Assembly Bill No. 389.

Bill read second time and ordered to third reading.

Assembly Bill No. 462.

Bill read second time and ordered to third reading.

Assembly Bill No. 503.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Lange moved that the action whereby Assembly Bill No. 349 was referred to the Committee on Natural Resources be rescinded and that the bill be referred to the Committee on Finance.

Motion carried.

Senator Dondero Loop moved that Assembly Bill No. 50 be taken from the General File and re-referred to the Committee on Finance.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 126.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 878.

SUMMARY—Revises provisions relating to the NV Grow Program. (BDR S-791)

AN ACT relating to economic development; revising provisions governing the NV Grow Program; making ~~appropriations~~ an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law directs the Division of Workforce and Economic Development of the College of Southern Nevada to develop, create, oversee and manage the NV Grow Program to provide certain informational and technical assistance to existing small businesses in this State that are expanding or ready to expand. Existing law further directs the Division to: (1) select the lead counselor who serves as coordinator of the Program; (2) employ a geographic information specialist; and (3) consult with a stakeholder group in identifying additional components that are necessary, advisable or advantageous for the growth and development of businesses located in this State. (Section 2 of chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3666)

Section 1 of this bill requires the Division to establish requirements for: (1) the supervision of the lead counselor by at least two employees of the Division or by an advisory team appointed by the Division; and (2) the training of the geographic information specialist. Section 1 also requires the Program to provide to participants in the Program classes and resources on business development and business financing. Section 1 further revises the stakeholder

group to include the African Chamber of Commerce and Tourism and the Vegas Chamber.

Existing law provides that the institutions of the Nevada System of Higher Education located in Clark County and the Nevada Small Business Development Center in Clark County shall cooperate with the geographic information system specialist to mentor and track businesses participating in the Program in Clark County. (Section 2 of chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3666) Section 1 removes the requirement for the Nevada Small Business Development Center in Clark County to participate in the tracking and mentoring of businesses participating in the Program in Clark County. Section 1 also provides that the Nevada Small Business Development Center located in Clark County and the Division will assist in identifying skilled labor in this State and focus on the utilization of existing resources as part of the Program.

Section 2 of this bill appropriates \$950,000 for each fiscal year to the College of Southern Nevada for certain allocations and to assist and carry out the NV Grow Program.

~~[Section 3.5 of this bill: (1) appropriates \$100,000 to the University of Nevada Cooperative Extension in Clark County to provide certain services to the NV Grow Program; and (2) appropriates \$30,000 to the stakeholder group of the NV Grow Program to employ or contract with a marketing professional to provide marketing services for the NV Grow Program.]~~

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

Section 1. Section 2 of the NV Grow Act, being chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3666, is hereby amended to read as follows:

Sec. 2. 1. The Division, in consultation with the stakeholders group, shall develop, create and oversee the NV Grow Program to stimulate Nevada's economy with a view toward providing assistance to businesses that are already located and operating in this State rather than recruiting businesses from other states to relocate in Nevada.

2. Under the auspices of the program:

(a) Institutions of the Nevada System of Higher Education located in Clark County ~~{and the Nevada Small Business Development Center in Clark County}~~ shall, in cooperation with the geographic information system specialist employed at the College of Southern Nevada, mentor and track businesses participating in the program in Clark County. The Clark County Department of Business License will coordinate with the College to provide such data as may be necessary for the operation of the program in Clark County.

(b) The Nevada Small Business Development Centers located in Clark County and Washoe County shall each cooperate with the geographic information system specialist employed to assist businesses

in Clark County that are participating in the program with marketing and other efforts.

3. The Division shall select the lead counselor and manage the NV Grow Program, which must include, without limitation:

(a) The employment *and supervision* of the lead counselor at the College of Southern Nevada who, in addition to his or her other duties, serves as the coordinator of the program . ~~{}~~ *The Division shall, to the extent practicable, ensure that the work of the lead counselor of the program is supervised by at least two employees of the Division or an advisory team appointed by the Division.*

(b) The employment *and training* of a geographic information specialist at the College of Southern Nevada who provides data to clients of the stakeholders group . ~~{}~~ *To the extent practicable, the geographic information specialist must receive training in geographic information systems at the Nevada Small Business Development Center located in Washoe County.*

(c) The appointment of the College of Southern Nevada as administrator of the geographic information system and fiscal agent for the program . ~~{}~~

(d) An analysis and identification by the Division of businesses and business sectors in this State that are ready to expand and a determination of which of these businesses and business sectors will participate in the program . ~~{}~~

(e) Identification by the ~~{Centers}~~ *Nevada Small Business Development Center located in Clark County* and the Division of the skilled labor that exists in this State and its potential for growth . ~~{}~~

(f) Targeting by the ~~Centers~~ and the Division of business sectors and occupations in this State that have demonstrated the ability to grow and stimulate the economy of the State . ~~{}~~

(g) A focus by the ~~{Centers}~~ *Nevada Small Business Development Center located in Clark County* and the Division on the utilization of existing resources . ~~{}~~

(h) The harnessing of the academic expertise of the College of Southern Nevada and the ~~Centers~~ to provide economic and market data to contribute to the diversification and growth of the economy of this State . ~~{}~~

(i) The use of geographic information systems by the College of Southern Nevada and the ~~Centers~~ to map areas of this State to determine locations in which retail sales and other commerce are flourishing and locations in which retail sales and commerce demonstrate the capacity for further growth . ~~{}~~

(j) The elements described in subsection 2 . ~~{}~~

(k) The provision of informational and other assistance by the College of Southern Nevada to businesses and business sectors in this

State, including, without limitation, business training, nontraditional marketing techniques and business mentoring . ~~}; and~~

(l) Such other components as the Division, in consultation with the stakeholders group, determines are likely to be necessary, advisable or advantageous for the growth and development of businesses located in this State.

4. The program shall, insofar as is possible, use the resources and expertise of the Centers and make available those resources and that expertise to businesses in this State for the purposes of:

(a) Developing business connections and business mentorships within the program;

(b) Exchanging data and other information with and between businesses and trade associations;

(c) Creating and facilitating peer-to-peer mentoring sessions for participants in the NV Grow Program; ~~and~~

(d) Providing to businesses and business sectors data and other information that is calculated or otherwise generated through the use of geographic information systems ~~}; and~~

(e) Providing to participants in the NV Grow Program classes and resources on business development and business financing.

5. To the extent possible, the program must be conducted with the goal of selecting at least 30 businesses in Clark County to participate in the program every year.

6. To qualify to participate in the program, a business must:

(a) Have its principal place of business within the State of Nevada and have had its principal place of business in this State for at least 2 years;

(b) Generate at least \$50,000 but not more than \$700,000 in revenue; and

(c) Have a business plan.

7. As used in this section:

(a) "Business plan" means a written statement of a set of business goals, the reasons those goals are believed to be attainable and the plan for reaching those goals.

(b) "Centers" means all institutions of the Nevada System of Higher Education, including, without limitation, the College of Southern Nevada and the University of Nevada, Reno.

(c) "Geographic information system" means a computerized database management system for the capture, storage, retrieval, analysis and display of spatial or locationally defined data.

(d) "Stakeholders group" means a group of persons interested in economic development in this State selected by the Division, including, without limitation, a representative of the College of Southern Nevada, the University of Nevada, Las Vegas, the Urban Chamber of Commerce of Las Vegas, the Las Vegas Latin Chamber of Commerce, *the African*

Chamber of Commerce and Tourism, the Vegas Chamber, the Henderson Chamber of Commerce, the Asian Community Development Council, the Valley Center Opportunity Zone, the University of Nevada Cooperative Extension in Clark County, Clark County and incorporated cities in Clark County and various entities affiliated with the Small Business Administration.

Sec. 2. 1. There is hereby appropriated from the State General Fund to the College of Southern Nevada the following sums:

For the Fiscal Year 2023-2024 \$950,000

For the Fiscal Year 2024-2025 \$950,000

2. ~~The~~ Of the sums appropriated by subsection 1:

(a) An allocation of \$100,000 must be disbursed each fiscal year to the University of Nevada Cooperative Extension in Clark County to provide counseling, training in geographic information systems and data scrubbing services for the Program.

(b) An allocation of \$30,000 must be disbursed each fiscal year to the stakeholders group, as defined in subsection 7 of section 2 of the NV Grow Act, to employ or contract with a marketing professional on a part-time basis to provide marketing services for the Program.

3. Except as otherwise provided in subsection 2, the College of Southern Nevada shall use the money appropriated pursuant to subsection 1 to:

(a) Provide or obtain such services as may be necessary to assist and carry out the Program;

(b) Provide training to the geographic information specialist employed pursuant to paragraph (b) of subsection 3 of section 2 of the NV Grow Act to assist small businesses who participate in the Program, including, without limitation, travel expenses to receive training from a geographic information specialist at the Nevada Small Business Development Center in Washoe County at least once every 3 months for not less than 1 year;

(c) Provide stipends for the counselors and members of the faculty of the Nevada System of Higher Education who provide services in connection with the Program; and

(d) Make direct program expenditures to assist and carry out the Program, including, without limitation, expenditures for data software, marketing tools, interns, field trips and grants to members of the stakeholders group, as defined in subsection 7 of section 2 of the NV Grow Act, to assist and carry out the Program.

~~3.~~ 4. Any remaining balance of the sums appropriated by subsection 1 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.

~~4.] 5.~~ As used in this section, "Program" means the NV Grow Program created pursuant to section 2 of the NV Grow Act, chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3666.

Sec. 3. (Deleted by amendment.)

Sec. 3.5. ~~1. There is hereby appropriated from the State General Fund to:~~

~~(a) The University of Nevada Cooperative Extension in Clark County the sum of \$100,000 to provide counseling, training in geographic information systems and data scrubbing services for the Program.~~

~~(b) The stakeholder group as defined in subsection 7 of section 2 of the NV Grow Act the sum of \$30,000 to employ or contract with a marketing professional on a part time basis to provide marketing services for the Program.~~

~~2. Any remaining balance of the appropriations 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.~~

~~3. As used in this section, "Program" means the NV Grow Program created pursuant to section 2 of the NV Grow Act, chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3666.] (Deleted by amendment.)~~

Sec. 4. Any remaining balance of the money received by the Division of Workforce and Economic Development of the College of Southern Nevada from any gifts, grants or donations accepted by the Division pursuant to section 4.5 of the NV Grow Act, chapter 459, Statutes of Nevada 2015, as last amended by chapter 570, Statutes of Nevada 2019, at page 3669, that has not been committed for expenditure before July 1, 2023, must be transferred to an account in the State General Fund administered by the College of Southern Nevada for the purposes of carrying out the provisions of the NV Grow Act.

Sec. 5. Upon acceptance of the money appropriated by section 2 of this act, the College of Southern Nevada agrees to:

1. Prepare and transmit quarterly reports to the Interim Finance Committee that describe each expenditure made from the money appropriated by section 2 of this act, other than the money allocated pursuant to subsection 2 of section 2 of this act, from the date on which the money was received by the College of Southern Nevada through December 1, 2024;

2. Prepare and transmit a final report to the Interim Finance Committee on or before September 19, 2025, that describes each expenditure made from the

money appropriated by section 2 of this act, other than the money allocated pursuant to subsection 2 of section 2 of this act, from the date on which the money was received by the College of Southern Nevada through June 30, 2025; and

3. Upon request of the Legislative Commission, make available to the Legislative Auditor any of the books, accounts, claims, reports, vouchers or other records of information, confidential or otherwise, of the College of Southern Nevada, regardless of their form or location, that the Legislative Auditor deems necessary to conduct an audit of the use of the money appropriated pursuant to section 2 of this act ~~and~~ other than the money allocated pursuant to subsection 2 of section 2 of this act.

Sec. 6. This act becomes effective on July 1, 2023.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 878 to Senate Bill No. 126 deletes the separate appropriations in section 3.5, instead requiring that the appropriations in that section be allocated from the annual appropriation to the College of Southern Nevada in section 2.

Amendment adopted.

Bill read third time.

Remarks by Senator Neal.

Senate Bill No. 126, in its second reprint, makes various changes to the NV Grow Act and the administration of the program.

Roll call on Senate Bill No. 126:

YEAS—21.

NAYS—None.

Senate Bill No. 126 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 143.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 879.

SUMMARY—Revises provisions relating to discrimination in housing. (BDR 18-1)

AN ACT relating to discriminatory practices; revising various provisions relating to discrimination in housing; providing civil penalties and other remedies for certain violations; authorizing the Nevada Equal Rights Commission within the Department of Employment, Training and Rehabilitation to enter into certain agreements with the United States Department of Housing and Urban Development for the Commission to investigate and enforce laws relating to fair housing as a certified agency under federal law; providing that certain conduct relating to an applicant or tenant's arrest record, conviction record or record of criminal history constitutes an unlawful discriminatory practice in housing; providing that certain

requirements relating to guarantors constitutes an unlawful discriminatory practice in housing; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Nevada Equal Rights Commission within the Department of Employment, Training and Rehabilitation. (NRS 232.910, 233.030) The Commission is authorized to investigate and conduct hearings concerning acts of prejudice with regard to housing, employment and public accommodations. (NRS 233.150) Existing law sets forth the Nevada Fair Housing Law to prohibit discrimination in housing. (NRS 118.010-118.120) In addition, the federal Fair Housing Act of 1968, as amended, prohibits discrimination in the sale, rental and financing of dwellings and in other housing-related transactions. (42 U.S.C. §§ 3601 et seq.)

Sections 17, 20 and 21 of this bill revise references to the types of discrimination from which persons are protected in Nevada to conform to federal law.

Section 21 authorizes the Commission to initiate a complaint alleging an unlawful discriminatory practice in housing. Section 23 of this bill requires the Commission to investigate each complaint which alleges an unlawful discriminatory practice in housing and to attempt to resolve the issues raised in the complaint through informal negotiations with the parties. Section 24 of this bill requires the Commission to serve upon an aggrieved person certain information.

Section 14 of this bill establishes new procedures and requirements with respect to investigations and administrative hearings concerning such complaints. Following the Commission's investigation of a complaint, if the Administrator of the Commission determines that probable cause exists to believe that an unlawful discriminatory practice in housing has occurred or is about to occur, the Attorney General is required to: (1) prepare a notice of hearing and serve the notice upon the parties; and (2) unless a party elects to have the matter determined by a court, prepare and prosecute the complaint in a public hearing before the Commission. If the Commission, based on a preponderance of the evidence presented at the hearing, determines that an unlawful discriminatory practice in housing has occurred, the Commission may issue an order to cease and desist, order appropriate injunctive or other equitable relief, award actual damages, impose civil penalties and award costs and attorney's fees. Section 28 of this bill makes a conforming change to eliminate a requirement for the Commission to hold an informal meeting of the parties.

Section 15 of this bill provides for the determination of the complaint by a court instead of the Commission. Section 16 of this bill establishes procedures for the judicial review of a final decision of the Commission.

Sections 2-13 and 18 of this bill move the existing definitions in chapter 233 of NRS and define various terms relating to the complaint process. Sections 24-26, 28 and 29 of this bill make changes to existing provisions to

use these terms. Sections 19 and 27 of this bill make conforming changes to internal references.

Existing law prohibits the Commission from entering into certain agreements with the United States Department of Housing and Urban Development for the Commission to investigate and enforce laws relating to fair housing as a certified agency under federal law unless the Legislature expressly authorizes the Commission to do so. (NRS 233.153) Section 22 of this bill authorizes the Commission to enter into such an agreement without legislative approval.

Section 30 of this bill provides that the provisions of chapter 233 of NRS relating to the judicial review of decisions of the Commission concerning unlawful discriminatory practice in housing prevail over the provisions of the Nevada Administrative Procedure Act.

Section 34 of this bill prohibits, with certain exceptions, a person seeking to rent or lease a dwelling, or renting or leasing a dwelling, from: (1) refusing to rent or lease, or refusing to negotiate to rent or lease, a dwelling to an applicant on the basis of the applicant's arrest record, conviction record or record of criminal history; (2) making, printing or publishing any notice, statement or advertisement relating to the rental or lease which indicates a preference based on the arrest record, conviction record or record of criminal history of an applicant; and (3) evicting a tenant from a dwelling on the basis of his or her arrest record, conviction record or record of criminal history for a misdemeanor offense, unless the offense occurred on the premises of the dwelling. Section 34 provides that a person may inquire into or conduct a background check into the conviction record or record of criminal history of an applicant to determine whether the applicant has certain offenses on his or her record. A person may refuse to rent or lease a dwelling to an applicant who has any such offense on his or her record. Section 34 also requires a person who makes a dwelling available for rent or lease to provide each applicant with information on how to file an appeal of a denial to rent or lease or file a complaint with the Commission. Section 34 limits the applicability of these provisions to any dwelling unit that is owned by a natural person and contains five or more dwelling units. For purposes of section 34, a "dwelling" is defined, with certain exceptions, as: (1) public housing; (2) any housing that is rented or leased to a tenant pursuant to a contract with a housing authority; or (3) any housing which accepts vouchers for rental payment. A "dwelling" does not include: (1) a manufactured home; or (2) a single-family house owned by a natural person or any other housing that is owned by a natural person and has four or fewer dwelling units.

Section 35 of this bill prohibits a person seeking to rent or lease a dwelling, or renting or leasing a dwelling from: (1) requiring a guarantor on a contract to rent or lease a dwelling to provide proof of income in an amount greater than three times the monthly rent or lease; (2) refusing to rent or lease or refusing to negotiate to rent or lease a dwelling to an applicant because a guarantor has not provided proof of income in an amount greater than three

times the monthly rent or lease; or (3) making, printing or publishing any notice, statement or advertisement relating to the rental or lease of a dwelling which indicates a requirement for a guarantor to provide proof of income in an amount greater than three times the monthly rent.

Sections 36-47 of this bill amend the Nevada Fair Housing Law to conform to federal law. Section 38 of this bill revises the definition of "disability" to exclude any current illegal use of or addiction to a controlled substance. Sections 39 and 40 of this bill revise the definitions of "dwelling" and "person." Sections 32 and 33 of this bill define the terms "aggrieved person" and "unlawful discriminatory practice in housing."

Section 41 of this bill revises the prohibited practices which constitute an unlawful discriminatory practice in housing in Nevada. Section 41 prohibits discrimination in real estate related transactions. Section 41 also sets forth certain exceptions to the application of its provisions.

Section 42 of this bill prohibits a person from refusing to: (1) allow a person with a disability to make reasonable modifications to a dwelling which may be necessary to afford the person with a disability full enjoyment of the dwelling, if the person with a disability pays for the modifications; or (2) make reasonable accommodations in rules, policies, practices or services which may be necessary to afford a person with a disability equal opportunity to use and enjoy the dwelling.

Section 43 of this bill revises accessibility requirements relating to the design and construction of a covered multifamily dwelling. Section 44 of this bill revises provisions prohibiting a landlord from refusing to rent a dwelling to a person with a disability with a service animal.

Sections 45-47 of this bill revise provisions governing civil actions to enforce certain provisions relating to discrimination in housing.

Section 47.5 of this bill makes an appropriation to the Nevada Equal Rights Commission for personnel, operating and technology expenses associated with carrying 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 233 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 16, inclusive, of this act.

Sec. 2. *"Administrator" means the Administrator of the Commission.*

Sec. 3. *"Aggrieved person" has the meaning ascribed to it in section 32 of this act.*

Sec. 4. *"Commission" means the Nevada Equal Rights Commission within the Department of Employment, Training and Rehabilitation.*

Sec. 5. 1. *"Complainant" means a person by whom, or on whose behalf, a complaint is made which alleges an unlawful discriminatory practice over which the Commission has jurisdiction pursuant to this chapter.*

2. *As used in this section, "person" includes the Commission.*

Sec. 6. *"Conciliation" means the attempted resolution of issues raised by a complaint, or by the investigation of a complaint, through informal*

negotiations involving the aggrieved person, the respondent and the Commission.

Sec. 7. *"Disability" has the meaning ascribed to it in NRS 118.045.*

Sec. 8. *"Familial status" has the meaning ascribed to it in NRS 118.065.*

Sec. 9. *"Gender identity or expression" has the meaning ascribed to it in NRS 118.075.*

Sec. 10. *"Member" means a member of the Commission.*

Sec. 11. *"Respondent" means a natural person or other person against whom a complaint is made which alleges an unlawful discriminatory practice and over which the Commission has jurisdiction pursuant to this chapter.*

Sec. 12. *"Sexual orientation" has the meaning ascribed to it in NRS 118.093.*

Sec. 13. *"Unlawful discriminatory practice in housing" has the meaning ascribed to it in section 33 of this act.*

Sec. 14. 1. *When a complaint is filed in which allegations, if true, would support a finding of an unlawful discriminatory practice in housing:*

(a) The Commission shall, to the extent practicable throughout the complaint process, engage in conciliation with respect to the complaint. If an agreement is reached with regard to the matters alleged in the complaint, no further action may be taken by the complainant or the Commission with regard to the matters alleged in the complaint.

(b) Each conciliation agreement between a complainant and a respondent must be approved by the Commission. The Commission may reject any conciliation agreement that it determines is not in the public interest. A conciliation agreement may provide for binding arbitration of the matters alleged in the complaint and for the awarding of any appropriate relief in the arbitration, including, without limitation, monetary relief.

(c) The Commission shall make a conciliation agreement public, unless the complainant and the respondent agree that it not be made public and the Commission determines that public disclosure of the agreement would not further the purposes of this chapter or NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act.

2. *The Commission shall, at the conclusion of any investigation required by NRS 233.157, prepare a final investigative report containing:*

(a) The name and the date of contact with each witness;

(b) A summary of and the dates of correspondence and other contact with the complainant and the respondent;

(c) A summary description of other pertinent records;

(d) A summary of witness statements; and

(e) Answers to interrogatories.

↪ *The Commission may amend the final investigative report if additional evidence is discovered.*

3. *If, at the conclusion of an investigation required by NRS 233.157, the Administrator determines that there is not probable cause to believe that an unlawful discriminatory practice in housing has occurred or is about to occur,*

the Administrator shall dismiss the complaint and notify the complainant and the respondent.

4. If, at the conclusion of an investigation required by NRS 233.157, the Administrator determines that there is probable cause to believe that an unlawful discriminatory practice in housing has occurred or is about to occur, and attempts at conciliation have failed:

(a) The Attorney General shall prepare a notice of hearing that complies with the requirements of NRS 233B.121 and serve a copy of the notice upon the complainant, the aggrieved person and the respondent, together with a notice of the right, in lieu of the hearing, to elect to have the matter determined in a civil action in a court of competent jurisdiction pursuant to section 15 of this act.

(b) Any aggrieved person may intervene as a party in the proceeding.

5. Unless an election is made to have the matter determined in a court of competent jurisdiction pursuant to section 15 of this act, the Commission shall hold a public hearing on the matter in conformance with the requirements of chapter 233B of NRS, except that the provisions of subsection 5 of NRS 233B.121 and NRS 233B.124 do not apply to the hearing. The Attorney General shall prepare and prosecute the complaint on behalf of the complainant.

6. If, after a hearing held pursuant to subsection 5, the Commission determines, based on a preponderance of the evidence, that an unlawful discriminatory practice in housing has occurred, the Commission shall serve a copy of its findings of fact and conclusions of law upon the complainant, the aggrieved persons and the respondent within 10 days after such a finding and may:

(a) Order the respondent to cease and desist from the unlawful practice;

(b) Order such injunctive or equitable relief as may be appropriate;

(c) Award actual damages to the complainant;

(d) Impose upon the respondent:

(1) Except as otherwise provided in this paragraph, a civil penalty of not more than \$16,000;

(2) If the respondent has been adjudged in a separate action to have committed any violation of NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act within the 5-year period immediately preceding the filing of the complaint, a civil penalty of not more than \$37,500; or

(3) If the respondent has been adjudged in one or more separate actions to have committed two or more violations of NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act within the 7-year period immediately preceding the filing of the complaint, a civil penalty of not more than \$65,000; and

(e) Award costs and reasonable attorney's fees to the complainant.

7. If, after a hearing held pursuant to subsection 5, the Commission determines, based on a preponderance of the evidence, that an unlawful discriminatory practice in housing has not occurred, the Commission:

(a) Shall dismiss the matter and make the dismissal public; and

(b) May, upon motion of the respondent, award costs and reasonable attorney's fees to the respondent, if the Commission determines that the complaint, had it been filed with a court, would have violated and been grounds for sanctions under Rule 11 of the Nevada Rules of Civil Procedure.

8. Any resolution of a complaint before a final order of the Commission is issued following a hearing held pursuant to subsection 5 must, to the extent practicable, be agreed to by the aggrieved person.

9. If the respondent fails to comply with a final order of the Commission, the Commission shall apply to the district court for an order compelling compliance. If the court finds that the respondent has violated the order by failing to cease and desist from the unlawful practice, failing to make any payment ordered or otherwise failing to comply with the order, the court shall award the aggrieved person actual damages caused by the noncompliance.

10. After the Commission has held a public hearing and rendered a decision, the complainant is barred from proceeding on the same facts and legal theory before any other administrative body or officer.

Sec. 15. 1. If, pursuant to subsection 4 of section 14 of this act, the Administrator has determined that there is probable cause to believe that an unlawful discriminatory practice in housing has occurred or is about to occur, and attempts at conciliation have failed, the complainant, the aggrieved person or the respondent may, in lieu of a hearing before the Commission pursuant to section 14 of this act, elect to have the claims of an unlawful discriminatory practice in housing that were set forth in the complaint decided by a court of competent jurisdiction.

2. An election made pursuant to subsection 1 must be made in writing and be received by the Commission not later than 20 days after the date on which the notice of hearing was served pursuant to subsection 4 of section 14 of this act.

3. The Attorney General ~~shall~~ may, if requested by the complainant or the aggrieved person, prepare, file and litigate a civil action on behalf of the complainant or the aggrieved person.

4. Any aggrieved person, with respect to the issues to be determined in the civil action, may intervene as a matter of right in the civil action.

5. If the court, based on a preponderance of the evidence, determines that the defendant has committed or is about to commit an unlawful discriminatory practice in housing, the court may:

(a) Award actual and punitive damages to the complainant or the aggrieved person, except that the court may not award monetary damages to an aggrieved person who does not intervene, if that aggrieved person has not complied with discovery orders entered by the court;

(b) Award costs and reasonable attorney's fees to the complainant or the aggrieved person; and

(c) *Order such other relief as the court determines appropriate, including, without limitation:*

(1) *Ordering a permanent or temporary injunction;*

(2) *Issuing a temporary restraining order; or*

(3) *Enjoining the defendant from engaging in the unlawful practice or ordering such other affirmative action as the court determines appropriate.*

6. *If the court, based on a preponderance of the evidence, determines that the defendant has not committed and is not about to commit an unlawful discriminatory practice in housing, the court shall dismiss the action and may, upon the motion of the defendant, award costs and reasonable attorney's fees to the defendant, if the court determines that the complaint was prosecuted in violation of Rule 11 of the Nevada Rules of Civil Procedure.*

7. *The Commission shall notify the complainant, all aggrieved persons and the respondent of the court's decision in any action filed pursuant to this section.*

Sec. 16. 1. *An order of the Commission issued pursuant to section 14 of this act in a complaint alleging an unlawful discriminatory practice in housing is a final decision in a contested case for the purpose of judicial review.*

2. *Any person identified as a party of record in a hearing before the Commission on a complaint alleging an unlawful discriminatory practice in housing who is aggrieved by a final decision of the Commission may request judicial review.*

3. *A petition for judicial review must:*

(a) *Name as respondents the Commission and all parties of record to the hearing;*

(b) *Be instituted by filing the petition in the district court in and for Carson City, in and for the county in which the aggrieved party resides or in and for the county in which the hearing occurred; and*

(c) *Be filed within 30 days after service of the final decision of the Commission.*

4. *A cross-petition for judicial review must be filed within 10 days after service of a petition for judicial review.*

5. *The Commission and any party wishing to participate in the judicial review must file a statement of intent to participate in the petition for judicial review and serve the statement upon the petitioner and each named respondent within 20 days after service of the petition.*

6. *The petition for judicial review and any cross-petition for judicial review must be served upon the Commission and each party of record within 45 days after the filing of the petition, unless, upon a showing of good cause, the district court extends the time for such service.*

7. *The Commission shall, within 30 days after receipt of service of the petition for judicial review or such time as allowed by the court, transmit to the court the original or a certified copy of the entire record of the proceeding under review, including, without limitation, a transcript of the evidence resulting in the final decision of the Commission. The record may be shortened*

by stipulation of the parties to the proceeding. If the court determines that a party has unreasonably refused to stipulate to limit the record, the court may assess any additional costs resulting from the refusal against that party. The court may require or permit subsequent corrections or additions to the record.

8. If, before submission to the court, an application is made to the court for leave to present additional evidence, and it is shown to the satisfaction of the court that the additional evidence is material and that there were good reasons for failure to present it in the proceeding before the Commission, the court may order that the additional evidence be taken before the Commission upon such conditions as the court determines appropriate. After receipt of any additional evidence, the Commission:

(a) May modify its finding and decision; and

(b) Shall file the evidence and any modification, new finding or decision with the court.

9. A petitioner or cross-petitioner who is seeking judicial review shall serve and file a memorandum of points and authorities within 40 days after the Commission gives written notice to the parties that the record of the proceeding under review has been filed with the court.

10. The respondent or cross-petitioner shall serve and file a reply memorandum of points and authorities within 30 days after service of the memorandum of points and authorities.

11. The petitioner or cross-petitioner may serve and file a reply memorandum of points and authorities within 30 days after service of the reply memorandum.

12. Within 7 days after the expiration of the period within which the petitioner is authorized to reply pursuant to subsection 11, any party may request a hearing. Unless a request for a hearing has been filed, the matter shall be deemed submitted.

13. All memoranda of points and authorities filed in proceedings involving petitions for judicial review must be in the form provided for appellate briefs in Rule 28 of the Nevada Rules of Appellate Procedure.

14. The court, for good cause, may extend the times allowed in this section for filing memoranda.

15. Judicial review of a final decision of the Commission must be:

(a) Conducted by the court without a jury; and

(b) Confined to the record.

➤ In cases concerning alleged irregularities in procedure before the Commission that are not shown in the record, the court may receive evidence concerning the irregularities.

16. The final decision of the Commission shall be deemed reasonable and lawful until reversed or set aside in whole or in part by the court. The burden of proof is on the party attacking or resisting the decision to show that the final decision is invalid pursuant to subsection 17.

17. *The court shall not substitute its judgment for that of the Commission as to the weight of evidence on a question of fact. The court may remand or affirm the final decision or set it aside in whole or in part if substantial rights of the petitioner have been prejudiced because the final decision of the Commission is:*

- (a) In violation of any constitutional or statutory provision;*
- (b) In excess of the statutory authority of the Commission;*
- (c) Made upon unlawful procedure;*
- (d) Affected by other error of law;*
- (e) Clearly erroneous in view of the reliable, probative and substantial evidence on the whole record; or*
- (f) Arbitrary or capricious or characterized by abuse of discretion.*

18. *A petitioner who applies for a stay of the final decision of the Commission shall file and serve a written motion for the stay on the Commission and all parties of record to the proceeding at the time of filing the petition for judicial review. The petitioner must provide security before the court may issue a stay.*

19. *In determining whether to grant a stay, the court shall consider the same factors as are considered for a preliminary injunction under Rule 65 of the Nevada Rules of Civil Procedure.*

20. *In making a ruling, the court shall:*

- (a) Give deference to the Commission; and*
- (b) Consider the risk to the public, if any, of staying the decision of the Commission.*

21. *An aggrieved party may obtain a review of any final judgment of the district court by appeal to the Nevada Supreme Court. The appeal may be taken as in other civil cases.*

Sec. 17. NRS 233.010 is hereby amended to read as follows:

233.010 1. It is hereby declared to be the public policy of the State of Nevada to protect the welfare, prosperity, health and peace of all the people of the State, and to foster the right of all persons reasonably to seek and obtain housing accommodations without discrimination, distinction or restriction because of race, ~~religious creed,~~ religion, color, age, sex, disability, *familial status*, sexual orientation, gender identity or expression, national origin or ancestry.

2. It is hereby declared to be the public policy of the State of Nevada to protect the welfare, prosperity, health and peace of all the people of the State, and to foster the right of all persons reasonably to seek and be granted services in places of public accommodation without discrimination, distinction or restriction because of race, ~~religious creed,~~ religion, color, age, sex, disability, *familial status*, sexual orientation, national origin ~~ancestry~~ or gender identity or expression.

3. It is hereby declared to be the public policy of the State of Nevada to protect the welfare, prosperity, health and peace of all the people of the State, and to foster the right of all persons reasonably to seek, obtain and hold

employment without discrimination, distinction or restriction because of race, ~~religious creed,~~ religion, color, age, sex, disability, *familial status*, sexual orientation, gender identity or expression ~~or~~ national origin . ~~or ancestry.~~
As used in this subsection:

(a) "Protective hairstyle" includes, without limitation, hairstyles such as natural hairstyles, afros, bantu knots, curls, braids, locks and twists.

(b) "Race" includes traits associated with race, including, without limitation, hair texture and protective hairstyles.

4. It is recognized that the people of this State should be afforded full and accurate information concerning actual and alleged practices of discrimination and acts of prejudice, and that such information may provide the basis for formulating statutory remedies of equal protection and opportunity for all citizens in this State.

Sec. 18. NRS 233.020 is hereby amended to read as follows:

233.020 As used in this chapter ~~is~~:

~~1. "Administrator" means the Administrator of the Commission.~~

~~2. "Commission" means the Nevada Equal Rights Commission within the Department of Employment, Training and Rehabilitation.~~

~~3. "Disability" means, with respect to a person:~~

~~(a) A physical or mental impairment that substantially limits one or more of the major life activities of the person;~~

~~(b) A record of such an impairment; or~~

~~(c) Being regarded as having such an impairment.~~

~~4. "Gender identity or expression" means a gender related identity, appearance, expression or behavior of a person, regardless of the person's assigned sex at birth.~~

~~5. "Member" means a member of the Nevada Equal Rights Commission.~~

~~6. "Sexual orientation" means having or being perceived as having an orientation for heterosexuality, homosexuality or bisexuality.] , unless the context otherwise requires, the words and terms defined in sections 2 to 13, inclusive, of this act have the meanings ascribed to them in those sections.~~

Sec. 19. NRS 233.085 is hereby amended to read as follows:

233.085 The Governor may designate another agency to perform the duties and functions of the Commission set forth in NRS 233.150 ~~, 233.160, 233.165 and 233.170.~~ and 233.157 to 233.170, inclusive, and sections 14, 15 and 16 of this act.

Sec. 20. NRS 233.140 is hereby amended to read as follows:

233.140 The Commission shall:

1. Foster mutual understanding and respect among all groups, including, without limitation, those based on race, religion, disability, ethnicity, sexual orientation and gender identity or expression, and between the sexes in the State.

2. Aid in securing equal health and welfare services and facilities for all the residents of the State without regard to race, *color*, religion, sex, sexual

orientation, gender identity or expression, age, disability, *familial status* or ~~[nationality.]~~ *national origin*.

3. Study problems arising between groups within the State which may result in tensions, discrimination or prejudice because of race, color, ~~[creed,]~~ *religion*, sex, sexual orientation, gender identity or expression, age, disability, *familial status* or national origin ~~[or ancestry,]~~ and formulate and carry out programs of education and disseminate information with the object of discouraging and eliminating any such tensions, prejudices or discrimination.

4. Secure the cooperation of various groups, including, without limitation, those based on race, religion, sex, sexual orientation, gender identity or expression, age, disability, nationality and ethnicity, veterans' organizations, labor organizations, business and industry organizations and fraternal, benevolent and service groups, in educational campaigns devoted to the need for eliminating group prejudice, racial or area tensions, intolerance or discrimination.

5. Cooperate with and seek the cooperation of federal and state agencies and departments in carrying out projects within their respective authorities to eliminate intergroup tensions and to promote intergroup harmony.

6. Develop and carry out programs of education and disseminate information as necessary to inform employers, employees, employment agencies and job applicants about their rights and responsibilities set forth in NRS 613.4353 to 613.4383, inclusive.

Sec. 21. NRS 233.150 is hereby amended to read as follows:

233.150 The Commission may:

1. Order its Administrator to:

(a) With regard to public accommodation, investigate tensions, practices of discrimination and acts of prejudice against any person or group because of race, color, ~~[creed,]~~ *religion*, sex, age, disability, *familial status*, sexual orientation, national origin ~~[, ancestry]~~ or gender identity or expression and may conduct hearings with regard thereto.

(b) With regard to housing, investigate tensions, practices of discrimination and acts of prejudice against any person or group because of race, color, ~~[creed,]~~ *religion*, sex, age, disability, *familial status*, sexual orientation, gender identity or expression ~~[,]~~ or national origin ~~[or ancestry,]~~ and may conduct hearings with regard thereto.

(c) With regard to employment, investigate:

(1) Tensions, practices of discrimination and acts of prejudice against any person or group because of race, color, ~~[creed,]~~ *religion*, sex, age, disability, *familial status*, sexual orientation, gender identity or expression ~~[,]~~ or national origin ~~[or ancestry,]~~ and may conduct hearings with regard thereto; and

(2) Any unlawful employment practice by an employer pursuant to the provisions of NRS 613.4353 to 613.4383, inclusive, and may conduct hearings with regard thereto.

↪ As used in this paragraph, "race" includes traits associated with race, including, without limitation, hair texture and protective hairstyles, as defined in paragraph (a) of subsection 3 of NRS 233.010.

2. Mediate between or reconcile the persons or groups involved in those tensions, practices and acts.

3. Issue subpoenas for the attendance of witnesses or for the production of documents or tangible evidence relevant to any investigations or hearings conducted by the Commission.

4. Delegate its power to hold hearings and issue subpoenas to any of its members or any hearing officer in its employ.

5. *Initiate a complaint against an unlawful discriminatory practice in housing.*

6. Adopt reasonable regulations necessary for the Commission to carry out the functions assigned to it by law.

Sec. 22. NRS 233.153 is hereby amended to read as follows:

233.153 1. The Commission ~~{shall not}~~ *may* contract with or enter into a memorandum of understanding with the United States Department of Housing and Urban Development for the Commission to investigate and enforce laws relating to fair housing as a certified agency . ~~{unless the Legislature, by resolution or other appropriate legislative measure, expressly authorizes the Commission to do so.}~~

2. As used in this section:

(a) "Certified agency" has the meaning ascribed to it in 24 C.F.R. § 115.100(c). The term refers to the certification of an agency as substantially equivalent as described in 42 U.S.C. § 3610(f)(3)(A) and 24 C.F.R. Part 115, Subpart B.

(b) "Memorandum of understanding" means the memorandum of understanding described in 24 C.F.R. § ~~{115.210.}~~ *115.205.*

Sec. 23. NRS 233.157 is hereby amended to read as follows:

233.157 1. The Commission shall accept any complaint alleging an unlawful discriminatory practice over which it has jurisdiction pursuant to this chapter.

2. The Commission shall adopt regulations setting forth the manner in which the Commission will process ~~{any such}~~ a complaint ~~{and}~~ *received pursuant to subsection 1.*

3. *If a complaint alleges an unlawful discriminatory practice in employment or public accommodations, the Commission shall determine whether to hold an informal settlement meeting or conduct an investigation concerning the complaint.*

4. *If a complaint alleges an unlawful discriminatory practice in housing, the Commission shall investigate the complaint and shall, to the extent practicable, engage in conciliation with respect to the complaint.*

Sec. 24. NRS 233.160 is hereby amended to read as follows:

233.160 1. A complaint which alleges an unlawful discriminatory practice in:

(a) Housing must be filed with the Commission not later than 1 year after the date of the occurrence of the alleged practice or the date on which the practice terminated.

(b) Employment or public accommodations must be filed with the Commission not later than 300 days after the date of the occurrence of the alleged practice.

↪ A complaint is timely if it is filed with an appropriate federal agency within that period. A complainant shall not file a complaint with the Commission if any other state or federal administrative body or officer which has comparable jurisdiction to adjudicate complaints of discriminatory practices has made a decision upon a complaint based upon the same facts and legal theory.

2. The complainant shall specify in the complaint the alleged unlawful practice. The complaint must be in writing and signed, under oath, by the complainant.

3. If the complaint alleges an unlawful discriminatory practice ~~in~~ :

(a) *In housing, the Commission shall, not later than 10 days after receiving the complaint, serve upon the complainant:*

~~[(a)]~~ (1) Notice that the complaint was filed with the Commission;

~~[(b)]~~ (2) A copy of the Commission's procedures;

~~[(c)]~~ (3) The information set forth in ~~subsection 5~~ *sections 14 and 15 of NRS 233.170; and*

~~[(d)]~~ *this act; and*

(4) Information relating to the state and federal administrative bodies and courts with which the complainant may file the complaint.

(b) *In employment, the Commission shall, as soon as practicable after receiving the complaint, notify the complainant in writing that the complainant may request the Commission to issue a right-to-sue notice pursuant to NRS 613.412.*

4. The Commission shall send to the ~~[party against whom an unlawful discriminatory practice is alleged:]~~ *respondent:*

(a) A copy of the complaint;

(b) An explanation of the rights which are available to ~~[that party:]~~ *the respondent; and*

(c) A copy of the Commission's procedures.

↪ If the complaint alleges an unlawful discriminatory practice in housing, the Commission shall comply with the requirements of this subsection within 10 days after it receives the complaint.

5. ~~[A person against whom an unlawful discriminatory practice in housing is alleged]~~ *The respondent may file with the Commission an answer to the complaint [filed against him or her] not later than 10 days after the [person] respondent receives the information described in subsection 4.*

6. *If a complaint alleges an unlawful discriminatory practice in housing, a person who is not named as a respondent but who is identified as a respondent in the course of the investigation may be joined as an additional*

or substitute respondent upon written notice from the Commission to that person.

7. The Commission shall notify each party to the complaint of the limitation on the period of time during which a person may apply to the district court for relief pursuant to NRS 613.430.

~~{7. If a person files a complaint pursuant to paragraph (b) of subsection 1 which alleges an unlawful discriminatory practice in employment, the Commission shall, as soon as practicable after receiving the complaint, notify in writing the person who filed the complaint that the person may request the Commission to issue a right to sue notice pursuant to NRS 613.412.}~~

8. For the purposes of paragraph (b) of subsection 1, an unlawful discriminatory practice in employment which relates to compensation occurs on:

(a) Except as otherwise provided in paragraph (b), the date prescribed by 42 U.S.C. § 2000e-5(e)(3)(A), as it existed on January 1, 2019.

(b) If 42 U.S.C. § 2000e-5(e)(3)(A) is amended and the Commission determines by regulation that the section, as amended, provides greater protection for employees than the section as it existed on January 1, 2019, the date prescribed by 42 U.S.C. § 2000e-5(e)(3)(A), as amended.

Sec. 25. NRS 233.165 is hereby amended to read as follows:

233.165 1. ~~{If the Commission determines to conduct}~~ *In conducting* an investigation of a complaint which alleges an unlawful discriminatory practice in housing in accordance with the regulations adopted pursuant to NRS 233.157, the Commission ~~{must}~~ *shall*:

(a) Begin ~~{an}~~ *the* investigation of the complaint within 30 days after it receives the complaint.

(b) Complete its investigation of the complaint within 100 days after it receives the complaint unless it is impracticable to do so.

(c) Make a final disposition of the complaint within 1 year after the date it receives the complaint unless it is impracticable to do so.

2. If the Commission determines that it is impracticable to complete an investigation or make a final disposition of a complaint which alleges an unlawful discriminatory practice in housing within the period prescribed in subsection 1, the Commission shall send to the complainant and the ~~{person against whom the complaint was filed}~~ *respondent* a statement setting forth its reasons for not completing the investigation or making a final disposition of the complaint within that period.

Sec. 26. NRS 233.170 is hereby amended to read as follows:

233.170 1. When a complaint is filed whose allegations if true would support a finding of *an* unlawful practice ~~{, the}~~ *in employment or public accommodations*:

(a) *The* Commission shall determine whether to hold an informal *settlement* meeting to attempt a settlement of the dispute in accordance with the regulations adopted pursuant to NRS 233.157. If the Commission determines to hold an informal *settlement* meeting, the Administrator may, to prepare for

the meeting, request from each party any information which is reasonably relevant to the complaint. ~~{Except as otherwise provided in subsection 3,}~~ *If an agreement is reached, no further action may be taken . {if the parties agree to a settlement.*

~~—2.~~ (b) If an agreement is not reached at the informal *settlement* meeting, the ~~{Administrator}~~ *Commission* shall determine whether to conduct an investigation into the alleged unlawful practice in accordance with the regulations adopted pursuant to NRS 233.157. After the investigation, if the ~~{Administrator}~~ *Commission* determines that *there is probable cause to believe that* an unlawful practice has occurred, the ~~{Administrator}~~ *Commission* shall ~~{attempt to mediate between or reconcile}~~ *engage in conciliation with* the parties. The ~~{party against whom a complaint was filed}~~ *respondent* may agree to cease the unlawful practice ~~{. Except as otherwise provided in subsection 3, if}~~ *and provide any additional relief as the parties may agree upon. If an agreement is reached, no further action may be taken by the complainant or {by} the Commission {.*

~~—3. If an agreement is reached by the parties in a case involving a discriminatory practice in housing, the agreement must be approved by the Commission. The agreement must be made public unless the parties otherwise agree and the Commission determines that disclosure is not necessary to further the purposes of chapter 118 of NRS.~~

~~—4.~~ *with regard to the matters alleged in the complaint.*

(c) If the attempts at ~~{mediation or}~~ conciliation fail in a case involving an unlawful practice in employment or public accommodations, the Commission may hold a public hearing on the matter ~~{. After}~~ *in accordance with the requirements of chapter 233B of NRS.*

2. *If, after the hearing, {if} the Commission determines that there is probable cause to believe that an unlawful practice has occurred, {it may} the Commission:*

(a) ~~{Serve}~~ *Shall serve* a copy of its findings of fact within 10 calendar days upon ~~{any person}~~ *the respondent* found to have engaged in the unlawful practice; and

(b) ~~{Order}~~ *May order* the ~~{person}~~ *respondent* to:

(1) Cease and desist from the unlawful practice. The order must include, without limitation, the corrective action the ~~{person}~~ *respondent* must take.

(2) In cases involving an unlawful employment practice, restore all benefits and rights to which the ~~{aggrieved person}~~ *complainant* is entitled, including, but not limited to, rehiring, back pay for a period described in subsection ~~{5,}~~ 3, annual leave time, sick leave time or pay, other fringe benefits and seniority, with interest thereon from the date of the Commission's decision at a rate equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date of the Commission's decision, plus 2 percent. The rate of interest must be adjusted

accordingly on each January 1 and July 1 thereafter until the judgment is satisfied.

(3) In cases involving an unlawful employment practice relating to discrimination on the basis of sex, pay an amount determined to be appropriate by the Commission for lost wages that would have been earned in the absence of discrimination or other economic damages resulting from the discrimination, including, without limitation, lost payment for overtime, shift differential, cost of living adjustments, merit increases or promotions, or other fringe benefits.

(4) In cases involving an unlawful employment practice committed by an employer with 50 or more employees that the Commission determines was willful, pay a civil penalty of:

(I) For the first unlawful employment practice that the ~~person~~ *respondent* has engaged in during the immediately preceding 5 years which the Commission determines was willful, not more than \$5,000.

(II) For the second unlawful employment practice that the ~~person~~ *respondent* has engaged in during the immediately preceding 5 years which the Commission determines was willful, not more than \$10,000.

(III) For the third and any subsequent unlawful employment practice that the ~~person~~ *respondent* has engaged in during the immediately preceding 5 years which the Commission determines was willful, not more than \$15,000.

~~5.~~ 3. For the purposes of subparagraph (2) of paragraph (b) of subsection ~~4.~~ 2, the period for back pay must not exceed a period beginning 2 years before the date on which the complaint was filed and ending on the date the Commission issues an order pursuant to paragraph (b) of subsection ~~4.~~ 2.

~~6.~~ 4. Before imposing a civil penalty pursuant to subparagraph (4) of paragraph (b) of subsection ~~4.~~ 2, the Commission must allow the ~~person~~ *respondent* found to have willfully engaged in an unlawful employment practice 30 days to take corrective action from the date of service of the order pursuant to paragraph (a) of subsection ~~4.~~ 2. If the ~~person~~ *respondent* takes such corrective action, the Commission shall not impose the civil penalty.

~~7.—If the attempts at mediation or conciliation fail in a case involving an unlawful housing practice:~~

~~—(a) The complainant or the person against whom the complaint was filed may elect to have the claims included in the complaint decided in a court of competent jurisdiction. If the court determines that the person against whom the complaint was filed has committed an unlawful housing practice, the court may:~~

~~—(1) Award to the complainant actual damages and, within the limitations prescribed by federal law, punitive damages.~~

~~—(2) Award to the prevailing party costs and reasonable attorney's fees.~~

~~—(3) Order such other relief as the court deems appropriate, including, but not limited to:~~

~~—(I) Ordering a permanent or temporary injunction;~~

~~—(II) Issuing a temporary restraining order; or~~
~~—(III) Enjoining the defendant from continuing the unlawful practice or taking other such affirmative action.~~

~~—(b) If an election is not made pursuant to paragraph (a), the Commission shall hold a public hearing on the matter. After the hearing, if the Commission determines that an unlawful practice has occurred, it may:~~

~~—(1) Serve a copy of its findings of fact within 10 days upon any person found to have engaged in the unlawful practice;~~

~~—(2) Order the person to cease and desist from the unlawful practice;~~

~~—(3) Award to the complainant actual damages; and~~

~~—(4) Impose a civil penalty of not more than \$25,000 upon the person who committed the unlawful discriminatory practice.~~

~~—8.} 5. If, after the hearing, the Commission determines that there is no probable cause to believe that an unlawful practice has occurred, the Commission shall dismiss the matter and make the dismissal public.~~

6. The order of the Commission is a final decision in a contested case for the purpose of judicial review. If the ~~{person}~~ *respondent* fails to comply with the Commission's order, the Commission shall apply to the district court for an order compelling such compliance, but failure or delay on the part of the Commission does not prejudice the right of an aggrieved party to judicial review. The court shall issue the order unless it finds that the Commission's findings or order are not supported by substantial evidence or are otherwise arbitrary or capricious. If the court upholds the Commission's order and finds that the ~~{person}~~ *respondent* has violated the order by failing to cease and desist from the unlawful practice or to make the payment ordered, the court shall award the ~~{aggrieved party}~~ *complainant* actual damages for any economic loss and no more.

~~{9.} 7. After the Commission has held a public hearing and rendered a decision, the complainant is barred from proceeding on the same facts and legal theory before any other administrative body or officer.~~

~~{10.} 8. For the purposes of this section, an unlawful employment practice shall be deemed to be willful if a person engages in the practice with knowledge that it is unlawful or with reckless indifference to whether it is lawful or unlawful.~~

Sec. 27. NRS 233.175 is hereby amended to read as follows:

233.175 1. The Commission shall accept a complaint that alleges that a local elected officer has engaged in an unlawful employment practice of discrimination pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq., or NRS 613.330 and take appropriate action.

2. The Commission shall present a complaint to the district court pursuant to NRS 283.440 if the Commission determines after a hearing held pursuant to ~~{subsection 3 of}~~ NRS 233.170 that a local elected officer has engaged in an unlawful employment practice of discrimination pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. §§ 2000e et seq., or NRS 613.330 and that the discriminatory practice that forms the basis of such a complaint is severe

or pervasive such that removal from office is an appropriate remedy. In addition to any monetary penalties, the Commission may impose upon the local elected officer any other reasonable sanction, including, without limitation, a requirement to complete a course or training related to the unlawful employment practice of discrimination.

3. Any fine or penalty required to be paid by a local elected officer because such officer was determined to have engaged in an unlawful employment practice of discrimination pursuant to subsection 2 must be assessed against such officer in his or her personal capacity, and may not be paid with public money or contributions received pursuant to chapter 294A of NRS. Except for a fine or a penalty, no damages may be assessed against the local elected officer in his or her personal capacity.

4. As used in this section, "local elected officer" means a person who holds a local government office to which the person was elected.

Sec. 28. NRS 233.180 is hereby amended to read as follows:

233.180 If, after the Administrator has conducted a preliminary investigation into an alleged unlawful discriminatory practice in housing, employment or public accommodations, the Commission determines that the practice will cause immediate and irreparable harm to any ~~{person}~~ aggrieved ~~{by the practice,}~~ person, the Commission, ~~{after the informal meeting and}~~ before holding a public hearing upon the matter, may apply on behalf of such person to the district court for a temporary restraining order or preliminary injunction as provided in the Nevada Rules of Civil Procedure.

Sec. 29. NRS 233.190 is hereby amended to read as follows:

233.190 1. Except as otherwise provided in this section or NRS 239.0115, *or paragraph (c) of subsection 1 of section 14 of this act*, any information gathered by the Commission in the course of its investigation of an alleged unlawful discriminatory practice in housing, employment or public accommodations is confidential.

2. Except as otherwise provided in subsection 5, the Commission may disclose information gathered pursuant to subsection 1 to:

(a) Any governmental entity as appropriate or necessary to carry out its duties pursuant to this chapter; or

(b) Any other person if the information is provided in a manner which does not include any information that may be used to identify the complainant, the ~~{party against whom the unlawful discriminatory practice is alleged}~~ respondent or any person who provided information to the Commission during the investigation.

3. Except as otherwise provided in subsection 4, the Commission shall disclose information gathered pursuant to subsection 1 to the complainant and the ~~{party against whom the unlawful discriminatory practice is alleged}~~ respondent if:

(a) Each has consented to such disclosure; or

(b) The Commission has determined to conduct a hearing on the matter or apply for a temporary restraining order or an injunction or an action has been filed in court concerning the complaint.

4. The Commission may not disclose to the complainant or the ~~party against whom the unlawful discriminatory practice is alleged~~ respondent:

(a) Any information obtained during negotiations for a settlement or attempts at mediating or conciliating the complaint.

(b) Any investigative notes or reports made by the Commission.

(c) Any information that may be used to identify a person who provided information to the Commission during the investigation and who has requested anonymity.

5. After the filing of a complaint with the Commission, access to information related to the complaint must be limited only to such staff of the Commission as is necessary to carry out the duties of the Commission relating to the complaint. Such staff shall not disclose such information to the other officers and employees of the Department of Employment, Training and Rehabilitation, including, without limitation, supervisors and the Director of the Department, unless the disclosure is necessary to carry out the duties of the Commission relating to the complaint.

6. Except as otherwise provided in this section or NRS 239.0115, *or paragraph (c) of subsection 1 of section 14 of this act*, if the Commission's attempts at mediating or conciliating the cause of the grievance succeed, the information gathered pursuant to subsection 1 must remain confidential.

7. If the Commission proceeds with a hearing or applies for injunctive relief, confidentiality concerning any information, except negotiations for a settlement or attempts at mediating or conciliating the cause of the grievance, is no longer required.

Sec. 30. NRS 233B.039 is hereby amended to read as follows:

233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:

(a) The Governor.

(b) Except as otherwise provided in NRS 209.221 and 209.2473, the Department of Corrections.

(c) The Nevada System of Higher Education.

(d) The Office of the Military.

(e) The Nevada Gaming Control Board.

(f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission.

(g) Except as otherwise provided in NRS 425.620, the Division of Welfare and Supportive Services of the Department of Health and Human Services.

(h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services.

(i) Except as otherwise provided in NRS 533.365, the Office of the State Engineer.

(j) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375.

(k) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260.

(l) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310.

(m) The Silver State Health Insurance Exchange.

(n) The Cannabis Compliance Board.

2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

3. The special provisions of:

(a) Chapter 612 of NRS for the adoption of an emergency regulation or the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;

(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;

(c) *Chapter 233 of NRS for the judicial review of decisions of the Nevada Equal Rights Commission concerning an unlawful discriminatory practice in housing;*

(d) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and

~~[(d)]~~ (e) NRS 90.800 for the use of summary orders in contested cases,
 ➤ prevail over the general provisions of this chapter.

4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies.

5. The provisions of this chapter do not apply to:

(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;

(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;

(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;

(d) The judicial review of decisions of the Public Utilities Commission of Nevada;

(e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178;

(f) The adoption or amendment of a rule or regulation to be included in the State Plan for Services for Victims of Crime by the Department of Health and Human Services pursuant to NRS 217.130;

(g) The adoption, amendment or repeal of rules governing the conduct of contests and exhibitions of unarmed combat by the Nevada Athletic Commission pursuant to NRS 467.075;

(h) The adoption, amendment or repeal of regulations by the Director of the Department of Health and Human Services pursuant to NRS 447.335 to 447.350, inclusive;

(i) The adoption, amendment or repeal of standards of content and performance for courses of study in public schools by the Council to Establish Academic Standards for Public Schools and the State Board of Education pursuant to NRS 389.520;

(j) The adoption, amendment or repeal of the statewide plan to allocate money from the Fund for a Resilient Nevada created by NRS 433.732 established by the Department of Health and Human Services pursuant to paragraph (b) of subsection 1 of NRS 433.734; or

(k) The adoption or amendment of a data request by the Commissioner of Insurance pursuant to NRS 687B.404.

6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case.

Sec. 31. Chapter 118 of NRS is hereby amended by adding thereto the provisions set forth as sections 32 to 35, inclusive, of this act.

Sec. 32. *"Aggrieved person" means any person who:*

1. *Claims to have been injured by an unlawful discriminatory practice in housing; or*

2. *Believes that he or she will be injured by an unlawful discriminatory practice in housing that is about to occur.*

Sec. 33. *"Unlawful discriminatory practice in housing" means a practice prohibited by NRS 118.100 and sections 34 and 35 of this act.*

Sec. 34. 1. *Except as otherwise provided in this section, it is an unlawful discriminatory practice in housing for any person to:*

(a) *Refuse to rent or lease or refuse to negotiate for the rental or lease of, or otherwise make unavailable, a dwelling to an applicant because of any:*

(1) *Arrest record if the applicant has not been prosecuted in relation to any arrest; or*

(2) *Conviction record or record of criminal history if the applicant:*

(I) *Has been acquitted, granted a pardon or otherwise exonerated;*

(II) Has served his or her sentence and has been released from prison;

or

(III) Has had his or her record sealed in this State or another state;

(b) Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the rental or lease of a dwelling that indicates any preference, limitation or discrimination, or intention to make any preference, limitation or discrimination, on the basis of an applicant's arrest record, conviction record or record of criminal history in violation of paragraph (a); or

(c) Evict a tenant on the basis of an arrest record, conviction record or record of criminal history for a misdemeanor offense, unless the misdemeanor offense occurred on the premises of the dwelling that is being rented or leased to the tenant.

2. *A person may inquire into or conduct a background check to determine whether an applicant for the rental or lease of a dwelling has a conviction record or record of criminal history that includes:*

(a) A violent or sexual offense as defined in NRS 202.876, or the equivalent offense in another jurisdiction; or

(b) If the rental or lease is being made available by a housing authority and the housing authority has adopted a policy to use such offenses as a basis for denying the rental or lease of the public housing and has made a list of the offenses publicly available, any offense set forth in 24 C.F.R. § 982.553 as a permissive prohibition.

↳ *A person who inquires into or conducts a background check in accordance with this subsection may refuse to rent or lease, refuse to negotiate for the rental or lease of, or otherwise make unavailable a dwelling on the basis of an arrest record, conviction record or record of criminal history for the offenses set forth in this subsection.*

3. *A person who is subject to the provisions of this section shall provide to each applicant for the rental or lease of a dwelling information on:*

(a) The provisions of this section and NRS 118.110 and 118.120;

(b) How the applicant may appeal a denial for a rental or lease of a dwelling in public housing to a housing authority; and

(c) How the applicant may file a complaint with the Commission pursuant to NRS 233.160, if the applicant believes that his or her application was denied on the basis of an unlawful discriminatory practice in housing.

4. *The provisions of this section:*

(a) Except as otherwise provided in paragraph (b), apply to the rental or lease, including, without limitation, a week-to-week tenancy, of any dwelling that is owned by a natural person and contains five or more dwelling units.

(b) Do not apply to any action taken by a person:

(1) Pursuant to any federal or state law or regulation that requires the person to inquire into or conduct a background check to determine the arrest record, conviction record or record of criminal history of an applicant and exclude certain applicants based on certain types of criminal history,

including, without limitation, the provisions of NRS 315.031, 42 U.S.C. § 13663 and 24 C.F.R. § 982.553.

(2) To review the statewide registry of sex offenders and offenders convicted of a crime against a child established pursuant to NRS 179B.200.

(3) Who makes available for rent a dwelling for tenancy on a week-to-week basis to determine whether an applicant has any outstanding felony warrants pending against him or her.

5. As used in this section:

(a) "Applicant" means a person who:

(1) Seeks information about, visits or applies to rent or lease a dwelling;

(2) Applies for a housing rental assistance program, including, without limitation, the Housing Choice Voucher Program pursuant to section 8 of the United States Housing Act of 1937, 42 U.S.C. § 1437f; or

(3) Seeks to be added to an existing lease for a dwelling.

(b) "Arrest record" means any information indicating that a person has been apprehended, detained, taken into custody, held for investigation or restrained by a law enforcement department or military authority due to an accusation or suspicion that a person committed a crime. The term includes pending criminal charges where an accusation has not resulted in a final judgment, acquittal, conviction, plea, dismissal or withdrawal.

(c) "Background check" means any report regarding the arrest record, conviction record or record of criminal history of a person intended to obtain the person's record of criminal history.

(d) "Conviction record" means any information regarding a final adjudication or other criminal disposition adverse to a person. The term includes, without limitation, dispositions for which the defendant received a deferred or suspended sentence, unless the adverse disposition has been vacated or expunged.

(e) "Dwelling":

(1) Except as otherwise provided in subparagraph (2), means:

(I) Public housing;

(II) Any housing that is rented or leased to a tenant pursuant to a contract with a housing authority; or

(III) Any housing which accepts rental payments of vouchers from a federal, state or local housing voucher program.

(2) Does not include:

(I) A manufactured home; or

(II) A single-family house owned by a natural person or any other housing that is owned by a natural person and has four or fewer dwelling units.

(f) "Dwelling unit" means a building or a portion of a building planned, designed or used as a residence for one family only, living independently of other families or persons, and having its own bathroom and housekeeping facilities included in the unit.

(g) "Housing authority" has the meaning ascribed to it in NRS 315.021.

(h) "Public housing" has the meaning ascribed to it in NRS 315.021.

(i) "Record of criminal history" has the meaning ascribed to it in NRS 179A.070.

Sec. 35. 1. It is an unlawful discriminatory practice in housing for any person to:

(a) Require a guarantor on a contract to rent or lease a dwelling to provide proof of income in an amount greater than three times the monthly rent or lease;

(b) Refuse to rent or lease or refuse to negotiate for the rental or lease of, or otherwise make unavailable, a dwelling to an applicant because a guarantor has not provided proof of income in an amount greater than three times the monthly rent or lease; or

(c) Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the rental or lease of a dwelling that indicates any requirement for a guarantor on a contract to rent or lease a dwelling to provide proof of income in an amount greater than three times the monthly rent or lease.

2. A person who is subject to the provisions of this section shall provide to each applicant for the rental or lease of a dwelling information on:

(a) The provisions of this section and NRS 118.110 and 118.120;

(b) How the applicant may appeal a denial for a rental or lease of a dwelling in public housing to a housing authority; and

(c) How the applicant may file a complaint with the Commission pursuant to NRS 233.160, if the applicant believes that his or her application has been denied on the basis of an unlawful discriminatory practice in housing.

3. As used in this section:

(a) "Guarantor" means a person who cosigns on a contract to rent or lease a dwelling or dwelling unit.

(b) "Proof of income" means documentation of the amount of money a person earns or receives from any source, including, without limitation, a pay stub, tax return, letter of employment, unemployment documentation, pension statement, social security award letter and workers' compensation or disability insurance statement.

Sec. 36. NRS 118.020 is hereby amended to read as follows:

118.020 1. It is hereby declared to be the public policy of the State of Nevada that all people in the State have equal opportunity to inherit, purchase, lease, rent, sell, hold and convey real property without discrimination, distinction or restriction because of race, ~~religious creed,~~ color, national origin, religion, disability, sexual orientation, gender identity or expression, ~~ancestry,~~ familial status or sex.

2. Nothing in ~~this chapter~~ NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act shall be deemed to render enforceable a conveyance or other contract made by a person who lacks the capacity to contract.

Sec. 37. NRS 118.030 is hereby amended to read as follows:

118.030 As used in NRS 118.010 to 118.120, inclusive, and sections 32

to 35, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 118.040 to 118.093, inclusive, and sections 32 and 33 of this act have the meanings ascribed to them in those sections.

Sec. 38. NRS 118.045 is hereby amended to read as follows:

118.045 1. "Disability" means, with respect to a person:

~~{1-}~~ (a) A physical or mental impairment that substantially limits one or more of the major life activities of the person;

~~{2-}~~ (b) A record of such an impairment; or

~~{3-}~~ (c) Being regarded as having such an impairment.

2. The term does not include any current illegal use of or addiction to a controlled substance, as defined in 21 U.S.C. § 802(6).

Sec. 39. NRS 118.060 is hereby amended to read as follows:

118.060 ~~{1-}~~ "Dwelling" means any building, structure or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure or portion thereof.

~~{2-}~~ "Dwelling" does not include:

~~—(a) A single family house sold or rented by an owner if:~~

~~—(1) The owner does not own more than three single family houses at any one time or the owner does not own any interest in, nor is there owned or reserved on his or her behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of, more than three single family houses at any one time; and~~

~~—(2) The house was sold or rented without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, real estate broker salesperson or real estate salesperson licensed pursuant to chapter 645 of NRS.~~

~~—(b) Rooms or units in dwellings containing living quarters occupied or intended to be occupied by not more than four families living independently of each other if the owner actually maintains and occupies one of the living quarters as his or her residence and the owner has not within the preceding 12 month period participated:~~

~~—(1) As the principal in three or more transactions involving the sale or rental of any dwelling or any interest therein; or~~

~~—(2) As an agent, otherwise than in the sale of his or her own personal residence in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any dwelling or any interest therein.~~

~~—3. The sale of a single family house by an owner not residing in that house at the time of the sale or who was not the most recent resident of that house before the sale does not bring the house within the definition of "dwelling" unless there is more than one such sale within any 24 month period.]~~

Sec. 40. NRS 118.080 is hereby amended to read as follows:

118.080 "Person" includes ~~{the}~~ :

1. *One or more natural persons, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint stock companies, trustees, trustees in cases under Title 11 of the United States Code, receivers or fiduciaries;*

2. *The State of Nevada ; and ~~and~~*

3. *All political subdivisions and agencies ~~thereof~~ of the State.*

Sec. 41. NRS 118.100 is hereby amended to read as follows:

118.100 ~~A~~

1. *Except as otherwise provided in subsections 4 and 5, a person shall not, because of race, ~~religious creed,~~ color, religion, national origin, ~~disability,~~ sexual orientation, gender identity or expression, ~~ancestry,~~ familial status , ~~or~~ sex ~~or~~ disability, including, without limitation, the disability of a buyer or renter or any person who may reside in a dwelling after it is sold, rented or made available, or because the buyer or renter is associated with a person who is, or is perceived to be, a member of any class of persons protected by the provisions of NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act:*

~~1.~~ (a) Refuse to sell or rent or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person.

~~2.~~ (b) Discriminate against any person in the terms, conditions or privileges of sale or rental of a dwelling, including the amount of breakage or brokerage fees, deposits or other undue penalties, or in the provision of services or facilities in connection therewith.

~~3.~~ (c) Make, print or publish, or cause to be made, printed or published, any notice, statement or advertisement with respect to the sale or rental of a dwelling that indicates any preference, limitation or discrimination, or an intention to make any preference, limitation or discrimination. As used in this ~~subsection,~~ paragraph, "dwelling" includes a house, room or unit described in ~~subsection 2 or 3 of NRS 118.060,~~ paragraphs (a) and (b) of subsection 5.

~~4.~~ (d) Represent to any person because of race, ~~religious creed,~~ color, religion, national origin, disability, sexual orientation, gender identity or expression, ~~ancestry,~~ familial status or sex that any dwelling is not available for inspection, sale or rental when the dwelling is in fact so available.

~~5.~~ (e) For profit, induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person of a particular race, ~~religious creed,~~ color, religion, national origin, disability, sexual orientation, gender identity or expression, ~~ancestry,~~ familial status or sex.

~~6. Coerce,~~

(f) *Deny any person access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service, organization or facility relating to the business of selling or renting dwellings, or discriminate against any person in the terms or conditions of such access, membership or participation.*

2. A person shall not discriminate against any person in making available a residential real estate related transaction, or in the terms or conditions of such a transaction.

3. A person shall not coerce, intimidate, threaten or interfere with any person in the exercise or enjoyment of, or on account of that person having exercised or enjoyed or aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected in ~~[this chapter]~~ NRS 118.010 to 118.120, inclusive, and sections 32 to 35, inclusive, of this act.

4. The provisions of this section:

(a) Do not prohibit a person engaged in the business of furnishing appraisals of real property from considering factors other than race, color, religion, sex, national origin, sexual orientation, gender identity or expression, familial status or disability in performing an appraisal.

(b) Do not prohibit a religious organization, association or society, or a non-profit institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association or society, from limiting the sale, rental or occupancy of any dwelling which it owns or operates for other than a commercial purpose to persons of the same religion or from giving preferences to such persons, unless membership in the religion is restricted on account of race, color or national origin.

(c) Do not prohibit a private club which is not open to the public and which, as an incident to its primary purposes, provides lodging that it owns or operates for other than a commercial purpose from limiting the rental or occupancy of those lodgings to its members or from giving preference to its members.

(d) With regard to the prohibition against discrimination based on familial status, do not apply to housing for older persons.

5. Except as otherwise provided in paragraph (c) or (f) of subsection 1 or subsection 2, 3 or 6, the provisions of this section do not apply to:

(a) A single-family house sold or rented by a private individual owner if:

(1) The private individual owner owns four or fewer single-family houses;

(2) The private individual owner does not own any interest in, and there is not owned or reserved on his or her behalf, under any express or voluntary agreement, title to or any right to any portion of the proceeds from the sale or rental of more than three single-family houses; and

(3) The house is sold or rented without:

(I) The use in any manner of the sales or rental facilities or services of any real estate broker, agent or salesperson licensed under chapter 645 of NRS, other person in the business of selling or renting dwellings or the employee or agent of such a real estate broker, agent or salesperson or other person; and

(II) The publication, posting or mailing of any advertisement or written notice in violation of paragraph (c) of subsection 1.

(b) Rooms or units in dwellings containing living quarters occupied or intended to be occupied by not more than four families living independently of each other, if the owner maintains and occupies one of the living quarters as his or her residence.

6. *In the event of the sale of a single-family house by a private individual owner who does not reside in the house at the time of the sale or who was not the most recent resident of the house before the sale, the exemption from the provisions of this section set forth in paragraph (a) of subsection 5 applies only with respect to one such sale within any 24-month period.*

7. *The provisions of this section do not prohibit the use by any person of such attorneys, escrow agents, commissioned abstracters, title companies or other professional assistance as necessary to perfect or transfer title to real property.*

8. *For the purposes of this section, a person shall be deemed to be in the business of selling or renting dwellings if the person:*

(a) Has, within the immediately preceding 12 months, participated as a principal in three or more transactions involving the sale or rental of any dwelling or any interest in a dwelling;

(b) Has, within the immediately preceding 12 months, participated as an agent, other than in the sale of his or her own residence, in providing sales or rental facilities or services in two or more transactions involving the sale or rental of any dwelling or any interest in a dwelling; or

(c) Is the owner of any dwelling occupied by, or designed or intended for occupancy by, five or more families.

9. *As used in this section, unless the context otherwise requires:*

(a) "Housing for older persons" means housing that is:

(1) Provided under any state or federal program which the Secretary of Housing and Urban Development determines is specifically designed and operated to assist elderly persons;

(2) Intended for and occupied solely by persons who are 62 years of age or older; or

(3) Intended and operated for occupancy by persons who are 55 years of age or older and:

(I) At least 80 percent of the occupied units are occupied by at least one person who is 55 years or older; and

(II) Applicable rules for verification of occupancy are complied with.

(b) "Residential real estate related transaction" means:

(1) The making or purchasing of loans or providing other financial assistance for purchasing, constructing, improving, repairing or maintaining a dwelling;

(2) The making or purchasing of loans or providing other financial assistance secured by residential real estate; or

(3) The selling, brokering or appraising of residential real estate.

Sec. 42. NRS 118.101 is hereby amended to read as follows:

118.101 1. A person may not refuse to ~~fr~~

~~—(a) Authorize~~ authorize a person with a disability to make reasonable modifications to a dwelling which he or she occupies or will occupy if:

~~{(1)}~~ (a) The person with the disability pays for the modifications; and

~~{(2)}~~ (b) The modifications ~~are~~ may be necessary to ~~ensure that~~ afford the person with the disability ~~may use and enjoy~~ the full enjoyment of the dwelling. ~~}; or~~

~~—(b) Make reasonable accommodations in rules, policies, practices or services if those accommodations are necessary to ensure that the person with the disability may use and enjoy the dwelling.~~

2. A landlord may, as a condition for the authorization of such a modification, reasonably require the person who requests the authorization, upon the termination of his or her occupancy, to restore the *interior of the dwelling* to the condition that existed before the modification, reasonable wear and tear excepted.

3. Except as otherwise provided in subsection 4, a landlord may not increase the amount of a security deposit the landlord customarily requires a person to deposit because that person has requested authorization to modify a dwelling pursuant to subsection 1.

4. If a person requests authorization to modify a dwelling pursuant to subsection 1, the landlord may require that person to deposit an additional security deposit in addition to the amount the landlord usually requires if the additional security deposit:

(a) Is necessary to ensure the restoration of the dwelling pursuant to subsection 2;

(b) Does not exceed the actual cost of the restoration; and

(c) Is *collected over a reasonable period and* deposited by the landlord in an interest-bearing account. Any interest earned on the additional amount must be paid to the person who requested the authorization.

5. *A person may not refuse to make reasonable accommodations in rules, policies, practices or services which may be necessary to afford a person with a disability equal opportunity to use and enjoy a dwelling.*

6. As used in this section, "security deposit" has the meaning ascribed to it in NRS 118A.240.

Sec. 43. NRS 118.103 is hereby amended to read as follows:

118.103 1. A covered multifamily dwelling which is designed and constructed for occupancy on or after ~~{March 13, 1991,}~~ *October 1, 2023*, must be constructed in such a manner that the *primary entrance to the dwelling* ~~{contains at least one entrance which}~~ is accessible to a person with a disability unless it is impracticable to so design or construct the dwelling because of the terrain or unusual characteristics of the site upon which it is constructed.

2. ~~{A}~~ *Such a* covered multifamily dwelling ~~{which contains at least one entrance which is accessible to a person with a disability}~~ must be constructed in such a manner that:

(a) The ~~{common}~~ areas of the dwelling *intended for public use or common use* are readily accessible to and usable by a person with a disability;

(b) The doors of the dwelling are sufficiently wide to allow a person with a disability to enter and exit in a wheelchair;

(c) The units of the dwelling contain:

(1) An accessible route into and through the dwelling;

(2) Reinforcements in the bathroom walls so that bars for use by a person with a disability may be installed therein; and

(3) Kitchens and bathrooms *which are usable by a person in a wheelchair and* in which *such a person* ~~[in a wheelchair]~~ may maneuver; and

(d) The light switches, electrical outlets, thermostats or any other environmental controls in the units of the dwelling are placed in such a manner that they are accessible to a person in a wheelchair.

3. As used in this section, "covered multifamily dwelling" means:

(a) A building which consists of four or more units and contains at least one elevator; ~~for~~ and

(b) The units located on the ground floor of any other building which consists of four or more units.

Sec. 44. NRS 118.105 is hereby amended to read as follows:

118.105 1. ~~[Except as otherwise provided in subsection 2, a]~~ A landlord ~~[may]~~ must not refuse to rent a dwelling subject to the provisions of chapter 118A of NRS to a person with a disability solely because ~~[an]~~ a service animal *which affords the person an equal opportunity to use and enjoy the dwelling* will be residing with the prospective tenant in the dwelling . ~~[if the animal assists, supports or provides service to the person with a disability.]~~

2. ~~[A landlord may require proof that an animal assists, supports or provides service to the person with a disability. This requirement may be satisfied, without limitation, by a statement from a provider of health care that the animal performs a function that ameliorates the effects of the person's disability.]~~ As used in this section, "service animal" has the meaning ascribed to it in NRS 426.097.

Sec. 45. NRS 118.110 is hereby amended to read as follows:

118.110 Any aggrieved person ~~[who claims to have been injured by a discriminatory housing practice or who believes that he or she will be injured by such a practice that is about to occur]~~ may file a complaint with the Commission in the manner prescribed in NRS 233.160 ~~[and avail himself or herself of the rights and remedies set forth in NRS 233.160 and sections 14, 15 and 16 of this act.~~

Sec. 46. NRS 118.120 is hereby amended to read as follows:

118.120 ~~[Any]~~

1. *Except as otherwise provided in subsection 2, an aggrieved person may commence an action in any district court in this state to enforce the provisions of NRS 118.100, 207.300, 207.310, 645.321 or 645C.480 or section 34 or 35 of this act not less* more than 1 year after the date of the occurrence or termination of an alleged violation of any of those provisions. If the court determines that the provisions of any of those sections have been violated by the defendant, and that the plaintiff has been injured thereby, it may enjoin the

defendant from continued violation or may take such other affirmative action as may be appropriate, and, in the case of a prevailing plaintiff, may award to the plaintiff actual damages, punitive damages, court costs and a reasonable attorney's fee.

2. *The limitation on commencing an action set forth in subsection 1 is tolled by the filing of a complaint with the Commission and during the pendency of the complaint before the Commission.*

Sec. 47. NRS 118.120 is hereby amended to read as follows:

118.120 1. Except as otherwise provided in subsection 2, an aggrieved person may commence an action in any district court in this state to enforce the provisions of NRS 118.100, 207.300, 207.310, 645.321 or 645C.480 or section 34 or 35 of this act not more than 1 year after the date of the occurrence or termination of an alleged violation of any of those provisions. If the court determines that the provisions of any of those sections have been violated by the defendant, and that the plaintiff has been injured thereby, it may enjoin the defendant from continued violation or may take such other affirmative action as may be appropriate, ~~and, in the case of a prevailing plaintiff, may including, without limitation, an award [to the plaintiff] of actual damages [punitive damages, court costs and a]~~ and such civil penalties as provided in section 14 of this act. *The court may award the prevailing party reasonable attorney's [fee.] fees and costs, except that no such fees or costs may be awarded against the State of Nevada unless, upon a motion by a party, the court determines that the State of Nevada acted in violation of Rule 11 of the Nevada Rules of Civil Procedure.*

2. The limitation on commencing an action set forth in subsection 1 is tolled by the filing of a complaint with the Commission and during the pendency of the complaint before the Commission.

3. *An aggrieved person may commence a civil action under this section regardless of whether the person has filed a complaint under NRS 118.110, unless the person has entered into a conciliation agreement concerning the complaint or the Commission has commenced a hearing pursuant to section 14 of this act with respect to the matters alleged in the complaint.*

Sec. 47.5. 1. There is hereby appropriated from the State General Fund to the Nevada Equal Rights Commission within the Department of Employment, Training and Rehabilitation for personnel, operating and technology expenses associated with carrying out the provisions of this act the following sums:

<u>For the Fiscal Year 2023-2024</u>	<u>\$101,086</u>
<u>For the Fiscal Year 2024-2025</u>	<u>\$96,135</u>

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. 48. 1. This section becomes effective upon passage and approval.

2. Section 47.5 of this act becomes effective on July 1, 2023.

3. Sections 1 to 13, inclusive, 17, 18, 20 to 23, inclusive, 28, 30 to 44, inclusive, and 46 of this act become effective:

(a) Upon passage and approval for the purpose of adopting regulations and carrying out 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.~~ 4. Sections 14, 15, 16, 19, 24 to 27, inclusive, 29, 45 and 47 of this act become effective on the date the Governor declares that the Federal Government has determined that certain provisions of NRS provide rights and remedies for alleged discriminatory housing practices substantially equivalent to federal law.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 879 to Senate Bill No. 143, as amended, revises subsection 3 of section 15 to eliminate the requirement and instead authorizes the Attorney General to prepare, file and litigate a civil action on behalf of a complainant or aggrieved person upon request. In addition, the amendment adds section 47.5, which appropriates \$101,086 in Fiscal Year (FY) 2024 and \$96,135 in FY 2025 from the State General Fund to the Nevada Equal Rights Commission in the Department of Employment, Training and Rehabilitation for personnel, operating and technology expenditures to implement the provisions of Senate Bill No. 143, as amended. The amendment revises section 48, which adds the effective date of section 47.5 to be July 1, 2023.

Amendment adopted.

Bill read third time.

Remarks by Senator Neal.

Senate Bill No. 143, as amended, makes changes to Nevada's housing discrimination law, including changes to the Nevada Equal Rights Commission's procedures for investigating complaints of discrimination in housing.

Roll call on Senate Bill No. 143:

YEAS—14.

NAYS—Buck, Goicoechea, Hansen, Krasner, Seevers Gansert, Stone, Titus—7.

Senate Bill No. 143 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 162.

Bill read third time.

Amendment No. 824 was proposed by the Committee on Finance.

Senator Dondero Loop withdrew Amendment No. 824 to Senate Bill No. 162.

Bill read third time.

Remarks by Senators Scheible and Stone.**SENATOR SCHEIBLE:**

Senate Bill No. 162 requires that a person who administers a county or city jail establish a policy that ensures that a person who is detained in a county or city jail who is registered and eligible to vote may vote in any election in which the person who is detained is eligible and to submit a copy of the policy to the Secretary of State and the Director of the Legislative Counsel Bureau.

The bill also clarifies that nothing in it authorizes a person convicted of a felony in Nevada who has not had his or her right to vote restored to vote in any election.

SENATOR STONE:

One of our most precious rights in the United States is our right to vote. Inscribed in the façade of the United States Supreme Court is "Equal Justice For All" [*sic*]. In this country, one is presumed innocent until proven guilty. We have inmates that can be incarcerated if accused of a serious crime that may not be able to meet bail prior to a preliminary hearing that remain innocent until proven guilty but still incarcerated. These populations of inmates have not been tried yet by a jury of their peers and hence remain innocent and cannot and should not be denied their right to vote.

This bill [Senate Bill No. 162] is not extending the right to vote to anyone who has had that right taken away from them based on committing a felony and being in prison. What this bill does is allows the accused but not convicted inmates in jail their constitutional right to a paper ballot or, if available, the same electronic devices our military uses overseas to vote with. That is it.

This bill is supported by law enforcement, including the Las Vegas Metropolitan Police Department. For these reasons, I urge a "yes" vote. Being accused of a crime does not take away your right to exercise the right to vote. By voting "yes" on this bill, you are supporting this important right.

Roll call on Senate Bill No. 162:

YEAS—21.

NAYS—None.

Senate Bill No. 162 having received a constitutional vote, Madam President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 225.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 825.

SUMMARY—Revises provisions governing peace officers. (BDR 23-651)

AN ACT relating to peace officers; revising provisions relating to the required contents of an application for certification as a peace officer; requiring a law enforcement agency to provide to the Peace Officers' Standards and Training Commission certain notice and information concerning peace officers employed by the agency; prohibiting a law enforcement agency from requiring a peace officer to make certain attestations concerning cannabis as a condition precedent to employment; prescribing requirements for certain standards adopted by regulation of the Commission; disqualifying certain persons from serving as peace officers; requiring the Executive Director of the Commission to report certain information to the National Decertification Index of the International Association of Directors of Law Enforcement Standards and

Training or an equivalent database; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law sets forth provisions governing peace officers and creates the Peace Officers' Standards and Training Commission, which generally provides for the training, education and certification of peace officers. (Chapter 289 of NRS) Existing law requires an application for certification as a peace officer to include the social security number of the applicant and a statement regarding the payment of child support. (NRS 289.560, 289.570) Section 2 of this bill additionally requires an application for certification as a peace officer to include an affidavit stating that the applicant: (1) is not disqualified from serving as a peace officer; (2) has not been discharged, disciplined or asked to resign from employment with a law enforcement agency for certain conduct; and (3) has not resigned from employment or otherwise separated from employment with a law enforcement agency while an investigation concerning certain alleged conduct was pending. Section 2 also requires the Commission to: (1) deny an application for certification that does not include the required affidavit; and (2) search the National Decertification Index of the International Association of Directors of Law Enforcement Standards and Training, or an equivalent database, to ensure that the name of the applicant does not appear in any such index or database. Section 6 of this bill makes a conforming change to indicate the proper placement of sections 2 and 3 of this bill in the Nevada Revised Statutes.

Section 3 requires a law enforcement agency to immediately notify the Commission if a peace officer employed by the agency: (1) is charged with certain crimes; or (2) resigns from employment or otherwise separates from employment with the agency while an investigation concerning alleged misconduct is pending. Section 3 also requires a law enforcement agency ~~to provide certain information to the Commission upon the request of the Commission,~~ to provide certain information to the Commission concerning a peace officer who resigns or otherwise separates from employment with the agency while an investigation concerning alleged misconduct is pending.

With certain exceptions, existing law prohibits a law enforcement agency from requiring a peace officer to disclose certain information as a condition precedent to a promotion, job assignment or other personnel action. (NRS 289.030) Section 5 of this bill additionally prohibits a law enforcement agency from requiring a peace officer to provide an oral or written attestation concerning any use of cannabis by the peace officer that occurred before the peace officer submitted his or her application for employment with the law enforcement agency as a condition precedent to employment as a peace officer.

Existing law requires the Commission to adopt regulations establishing minimum standards for the certification and decertification, recruitment, selection and training of peace officers. (NRS 289.510) Section 7 of this bill provides that the standards prescribed by regulations adopted by the Commission: (1) must not prohibit the certification of an applicant solely on

the basis that the applicant has engaged in the adult use of cannabis or the medical use of cannabis; (2) must not require the decertification of a peace officer solely on the basis that the peace officer has engaged in the adult use of cannabis or the medical use of cannabis; and (3) must require the decertification of a peace officer upon a determination by the Commission that the peace officer knowingly provided false or misleading information in his or her application for certification. Section 7 also makes conforming changes to reorganize certain provisions relating to regulations adopted by the Commission. Section 4 of this bill defines certain terms for the purposes of certain requirements relating to cannabis prescribed by sections 5 and 7.

Existing law provides that a person who has been convicted of a felony in this State or any other state is not qualified to serve as a peace officer. (NRS 289.555) Section 9 of this bill makes this prohibition applicable regardless of whether the person has had the conviction expunged or sealed. Section 9 also provides that a person is not qualified to serve as a peace officer if the person has been: (1) convicted of domestic violence in this State or any other state, regardless of whether such a conviction was sealed or expunged; (2) reported to the National Decertification Index or an equivalent database; or (3) decertified or has had his or her certificate or license to practice or serve as a peace officer revoked or annulled by the Commission or a certifying or licensing authority in any other state.

Existing law requires the Commission to appoint an Executive Director of the Commission and authorizes the Executive Director to perform certain acts relating to the certification of peace officers. (NRS 289.520, 289.530) Section 8 of this bill requires the Executive Director to report to the National Decertification Index or an equivalent database: (1) the name of each decertified peace officer; and (2) any other information required by the Index or database, as applicable.

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

Section 1. Chapter 289 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *An application for certification as a peace officer must include an affidavit stating that the applicant:*

(a) *Is not disqualified from serving as a peace officer pursuant to NRS 289.555;*

(b) *Has not been discharged, disciplined or asked to resign from employment with a law enforcement agency in this State or any other state for conduct which would, under the regulations adopted by the Commission pursuant to NRS 289.510, constitute grounds for denying certification or revoking the certificate of a peace officer; and*

(c) *Has not resigned from employment or otherwise separated from employment with a law enforcement agency in this State or any other state while an investigation concerning allegations of conduct which would, under the regulations adopted by the Commission pursuant to NRS 289.510,*

constitute grounds for denying certification or revoking the certificate of a peace officer, was pending.

2. The Commission shall summarily deny any application for certification as a peace officer if the application does not include the affidavit required by subsection 1.

3. The Commission shall, for each applicant for certification as a peace officer, search the National Decertification Index of the International Association of Directors of Law Enforcement Standards and Training, or an equivalent database maintained for the purpose of serving as a national registry of certificate or license revocation actions relating to peace officer misconduct, to ensure that the name of the applicant does not appear in any such index or database.

Sec. 3. A law enforcement agency shall:

1. Immediately notify the Commission if a peace officer employed by the agency:

(a) Is charged with a crime for which the regulations adopted by the Commission pursuant to NRS 289.510 authorize the Commission to revoke or suspend the certificate of the peace officer; or

(b) Resigns from employment or otherwise separates from employment with the agency while an investigation concerning alleged misconduct is pending; and

2. If a peace officer resigns or otherwise separates from employment while an investigation concerning alleged misconduct is pending, provide ~~any~~ information requested by to the Commission a written summary of the outcome of the investigation as soon as practicable after ~~receiving~~ completing the ~~request~~ investigation.

Sec. 4. NRS 289.010 is hereby amended to read as follows:

289.010 As used in this chapter, unless the context otherwise requires:

1. "Administrative file" means any file of a peace officer containing information, comments or documents about the peace officer. The term does not include any file relating to an investigation conducted pursuant to NRS 289.057 or a criminal investigation of a peace officer.

2. "Adult use of cannabis" has the meaning ascribed to it in NRS 678A.075.

3. "Law enforcement agency" means any agency, office, bureau, department, unit or division created by any statute, ordinance or rule which:

(a) Has a duty to enforce the law; and

(b) Employs any person upon whom some or all of the powers of a peace officer are conferred pursuant to NRS 289.150 to 289.360, inclusive.

~~3.~~ 4. "Medical use of cannabis" has the meaning ascribed to it in NRS 678A.215.

5. "Peace officer" means any person upon whom some or all of the powers of a peace officer are conferred pursuant to NRS 289.150 to 289.360, inclusive.

~~{4-}~~ 6. "Punitive action" means any action which may lead to dismissal, demotion, suspension, reduction in salary, written reprimand or transfer of a peace officer for purposes of punishment.

7. "Screening test" means a test of a person's blood, urine, hair or saliva to detect the general presence of a controlled substance or other drug.

Sec. 5. NRS 289.030 is hereby amended to read as follows:

289.030 1. A law enforcement agency shall not require any peace officer to ~~disclose~~:

(a) Disclose the peace officer's assets, debts, sources of income or other financial information or make such a disclosure a condition precedent to a promotion, job assignment or other personnel action unless that information is necessary to:

~~{1-}~~ (1) Determine the peace officer's credentials for transfer to a specialized unit;

~~{2-}~~ (2) Prevent any conflict of interest which may result in any new assignment; or

~~{3-}~~ (3) Determine whether the peace officer is engaged in unlawful activity.

(b) Provide an oral or written attestation concerning any use of cannabis by the peace officer that occurred before the peace officer submitted his or her application for employment with the law enforcement agency as a condition precedent to employment with the agency as a peace officer.

2. Nothing in this section shall be construed to prohibit a law enforcement agency from:

(a) Requiring a peace officer to provide an oral or written attestation concerning any use of cannabis by the peace officer that has occurred after the submission of his or her application for employment with the law enforcement agency as a condition precedent to employment with the agency as a peace officer; or

(b) Adopting a policy that requires a peace officer to submit to a screening test as:

(1) A condition precedent to employment; or

(2) A condition for continued employment.

3. As used in this section, "use of cannabis" includes the adult use of cannabis and the medical use of cannabis.

Sec. 6. NRS 289.450 is hereby amended to read as follows:

289.450 As used in NRS 289.450 to 289.680, inclusive, and sections 2 and 3 of this act, unless the context otherwise requires, the words and terms defined in NRS 289.460 to 289.490, inclusive, have the meanings ascribed to them in those sections.

Sec. 7. NRS 289.510 is hereby amended to read as follows:

289.510 1. The Commission:

(a) Shall meet at the call of the Chair, who must be elected by a majority vote of the members of the Commission.

(b) Shall provide for and encourage the training and education of persons whose primary duty is law enforcement to ensure the safety of the residents of and visitors to this State.

~~(c) [Shall adopt regulations establishing minimum standards for the certification and decertification, recruitment, selection and training of peace officers. The regulations must establish:~~

~~—(1) Requirements for evaluations to be conducted during the recruitment and selection of peace officers, which must identify implicit bias on the part of a peace officer on the basis of race, color, religion, national origin, physical or mental disability, sexual orientation or gender identity or expression;~~

~~—(2) Requirements for basic training for category I, category II and category III peace officers and reserve peace officers;~~

~~—(3) Standards for programs for the continuing education of peace officers, including minimum courses of study and requirements concerning attendance, which must require that all peace officers annually complete not less than 12 hours of continuing education in courses that address:~~

~~(I) Racial profiling;~~

~~(II) Mental health, including, without limitation, crisis intervention;~~

~~(III) The well being of officers;~~

~~(IV) Implicit bias recognition;~~

~~(V) De-escalation;~~

~~(VI) Human trafficking; and~~

~~(VII) Firearms.~~

~~—(4) Qualifications for instructors of peace officers;~~

~~—(5) Requirements for the certification of a course of training; and~~

~~—(6) Standards for an annual behavioral wellness visit for peace officers to aid in preserving the emotional and mental health of the peace officer and assessing conditions that may affect the performance of duties by the peace officer.~~

~~(d) Shall, when necessary, present courses of training and continuing education courses for category I, category II and category III peace officers and reserve peace officers.~~

~~(e) May make necessary inquiries to determine whether the agencies of this State and of the local governments are complying with standards set forth in [its] the regulations [.] adopted pursuant to subsection 2.~~

~~[(f)] (d) Shall carry out the duties required of the Commission pursuant to NRS 432B.610 and 432B.620.~~

~~[(g)] (e) May perform any other acts that may be necessary and appropriate to the functions of the Commission as set forth in NRS 289.450 to 289.680, inclusive [.] , and sections 2 and 3 of this act.~~

~~[(h)] (f) May enter into an interlocal agreement with an Indian tribe to provide training to and certification of persons employed as police officers by that Indian tribe.~~

~~[(i)] (g) Shall develop and approve a standard curriculum of certified training programs in crisis intervention, which may be made available in an~~

electronic format, and which address specialized responses to persons with mental illness and train peace officers to identify the signs and symptoms of mental illness, to de-escalate situations involving persons who appear to be experiencing a behavioral health crisis and, if appropriate, to connect such persons to treatment. A peace officer who completes any program developed pursuant to this paragraph must be issued a certificate of completion.

2. ~~[Regulations]~~ *The Commission shall adopt regulations establishing minimum standards for:*

(a) The certification and decertification, recruitment, selection and training of peace officers. The standards adopted pursuant to this paragraph must:

(1) Establish requirements for evaluations to be conducted during the recruitment and selection of peace officers, which must identify implicit bias on the part of a peace officer on the basis of race, color, religion, national origin, physical or mental disability, sexual orientation or gender identity or expression;

(2) Establish requirements for basic training for category I, category II and category III peace officers and reserve peace officers;

(3) Establish standards for programs for the continuing education of peace officers, including minimum courses of study and requirements concerning attendance, which must require that all peace officers annually complete not less than 12 hours of continuing education in courses that address:

(I) Racial profiling;

(II) Mental health, including, without limitation, crisis intervention;

(III) The well-being of officers;

(IV) Implicit bias recognition;

(V) De-escalation;

(VI) Human trafficking; and

(VII) Firearms;

(4) Establish qualifications for instructors of peace officers;

(5) Establish requirements for the certification of a course of training;

(6) Require all peace officers to receive training in the handling of cases involving abuse or neglect of children or missing children;

(7) Require all peace officers to receive training in the handling of cases involving abuse, neglect, exploitation, isolation and abandonment of older persons or vulnerable persons;

(8) Not prohibit the certification of an applicant solely on the basis that the applicant has engaged in the adult use of cannabis or the medical use of cannabis;

(9) Not require the decertification of a peace officer solely on the basis that the peace officer has engaged in the adult use of cannabis or the medical use of cannabis; and

(10) Require the decertification of a peace officer upon a determination by the Commission that the peace officer knowingly provided false or misleading information in his or her application for certification.

(b) *An annual behavioral wellness visit for peace officers to aid in preserving the emotional and mental health of the peace officer and assessing any conditions that may affect the performance of duties by the peace officer.*

3. *The regulations adopted by the Commission ~~{}~~ pursuant to subsection 2:*

(a) *Apply to all agencies of this State and of local governments in this State that employ persons as peace officers; and*

(b) ~~{}~~ *Must require that all peace officers receive training in the handling of cases involving abuse or neglect of children or missing children;*

~~{}~~ *Must require that all peace officers receive training in the handling of cases involving abuse, neglect, exploitation, isolation and abandonment of older persons or vulnerable persons; and*

~~{}~~ *May require that training be carried on at institutions which it approves in those regulations.*

4. *Nothing in this section shall be construed to prohibit a law enforcement agency from adopting a policy that requires a peace officer to submit to a screening test as:*

(a) *A condition precedent to employment; or*

(b) *A condition for continued employment.*

Sec. 8. NRS 289.530 is hereby amended to read as follows:

289.530 1. With the advice of the Commission, the Executive Director of the Commission may:

~~{}~~ (a) Appoint employees, agents, consultants and other staff of the Commission and prescribe their duties;

~~{}~~ (b) Administer and direct the daily operation of the staff and resources of the Commission;

~~{}~~ (c) Inspect academies for training peace officers, and issue and revoke certificates of approval to such academies;

~~{}~~ (d) Certify qualified instructors for approved courses of training for peace officers and issue appropriate certificates to instructors;

~~{}~~ (e) Certify peace officers who have satisfactorily completed courses of training for peace officers and issue basic, intermediate, advanced and management professional certificates to peace officers;

~~{}~~ (f) Make recommendations to the Commission concerning the issuance of executive certificates;

~~{}~~ (g) Cause annual audits to be made relating to the operation of academies for training peace officers;

~~{}~~ (h) Consult and cooperate with academies for training peace officers concerning the development of the basic and advanced training programs for peace officers;

~~{}~~ (i) Consult and cooperate with academies for training peace officers concerning the development of specialized courses of study in this State for peace officers in the areas of police science, police administration, corrections, probation, the social sciences and other related areas;

~~{10.}~~ (j) Consult and cooperate with other departments and agencies of this State and of local governments concerning the training of peace officers;

~~{11.}~~ (k) Report to the Commission at the regular meetings of the Commission and at such other times as the Commission may require, and recommend the denial, suspension or revocation of certification of a peace officer to the Commission as deemed necessary;

~~{12.}~~ (l) Execute contracts on behalf of the Commission; and

~~{13.}~~ (m) Perform any other acts necessary and appropriate to the carrying out of the duties of the Executive Director of the Commission.

2. *The Executive Director of the Commission shall, as soon as reasonably practicable after revoking the certification of a peace officer, report to the National Decertification Index of the International Association of Directors of Law Enforcement Standards and Training or an equivalent database maintained for the purpose of serving as a national registry of certificate or license revocation actions relating to peace officer misconduct:*

(a) *The name of the decertified peace officer; and*

(b) *Any other information possessed by the Commission and required by the Index or database, as applicable.*

Sec. 9. NRS 289.555 is hereby amended to read as follows:

289.555 A person ~~{who has been convicted of a felony in this State or any other state}~~ is not qualified to serve as a category I peace officer, category II peace officer or category III peace officer, regardless of whether the person has ~~{been}~~ had his or her civil rights restored ~~{to}~~, if the ~~{person's civil rights}~~ person has been:

1. *Convicted of:*

(a) *A felony in this State or any other state, regardless of whether such a conviction was expunged or sealed;*

(b) *A battery which constitutes domestic violence pursuant to NRS 200.485, regardless of whether such a conviction was expunged or sealed; or*

(c) *A misdemeanor crime of domestic violence, as defined in 18 U.S.C. § 921(a)(33), in any other state, regardless of whether such a conviction was expunged or sealed.*

2. *Reported to the National Decertification Index of the International Association of Directors of Law Enforcement and Training or an equivalent database maintained for the purpose of serving as a national registry of certificate or license revocation actions relating to peace officer misconduct.*

3. *Decertified or has had his or her certificate or license to practice or serve as a peace officer revoked or annulled by:*

(a) *The Commission; or*

(b) *A certifying or licensing authority in any other state.*

Sec. 10. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 9, 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 Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 825 to Senate Bill No. 225, as amended, requires that a law enforcement agency shall provide the Peace Officers' Standards and Training Commission (POST) a written summary of the outcome of an investigation of a peace officer who resigns or otherwise separates from employment while an investigation concerning alleged misconduct is pending after the investigation is complete.

Amendment adopted.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 225, as amended, requires an application for certification as a peace officer to include certain requirements. Applicants must submit an affidavit confirming their eligibility and absence of disqualifications, such as prior misconduct or resigning during pending misconduct investigations. If an officer separates from employment while under investigation concerning alleged misconduct, the law enforcement agency shall promptly provide a written summary of the outcome of the investigation, once the investigation is complete, to POST. The bill disqualifies individuals with domestic violence convictions from serving as peace officers and prohibits agencies from considering cannabis use as a condition of employment. Lastly, the bill mandates a search of the National Decertification Index or equivalent database to ensure the applicant's name does not appear in any such index and requires POST to report decertified officers to the National Decertification Index.

Roll call on Senate Bill No. 225:

YEAS—20.

NAYS—Titus.

Senate Bill No. 225 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 233.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 815.

SUMMARY—Revises provisions governing taxes imposed on certain heavy equipment. (BDR 32-87)

AN ACT relating to taxation; providing for the imposition, administration, collection and enforcement of a tax on the rental of certain heavy equipment; excluding certain heavy equipment from the tax on personal property; providing penalties; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, all property of every kind and nature in this State is subject to property taxes unless the property is exempt from such taxation. (NRS 361.045) Section 1 of Article 10 of the Nevada Constitution authorizes the Legislature to exempt any personal property from taxation. Sections 5, 6 and 39 of this bill exempt from personal property taxes property, machinery and equipment held in the inventory of a business that is primarily engaged in

renting or leasing heavy equipment for construction, mining or forestry or in renting consumer, commercial or industrial equipment. Instead, section 12 of this bill imposes a tax at the rate of 2 percent of the gross receipts from the rental of such property, machinery or equipment. Sections 14-17 of this bill require a heavy equipment rental company to register with the Department of Taxation, collect the tax from a person who rents heavy equipment rental property and remit the tax to the Department on a quarterly basis. Section 18 of this bill requires: (1) the Department, after deducting a certain amount from the proceeds of the tax for the costs of collecting the tax, to distribute the proceeds of the tax ~~(twice) each (fiscal year)~~ calendar quarter to the county in which the property is rented; and (2) the county treasurer of each county that receives such proceeds to distribute these taxes to taxing districts in the county in amounts based on the distribution of property taxes ~~(+) imposed on the rental of heavy equipment rental property during Fiscal Year 2023-2024.~~

Sections ~~(3-8)~~ 2.5-8 of this bill define certain terms relating to the imposition of the tax on the rental of heavy equipment rental property. Section 9 of this bill requires the Department to administer the provisions of this bill establishing the tax and authorizes the Department to adopt any necessary regulations. Sections 10 and 11 of this bill establish provisions governing the retention and examination of records relevant to the tax. Sections 30 and 31 of this bill establish that a person who submits a false or fraudulent return or falsifies entries in books, records or accounts with intent to evade the tax is guilty of a gross misdemeanor, and that a person who violates any other provision governing the tax created by this bill is guilty of a misdemeanor.

Section 13 of this bill exempts from the tax the gross receipts from the rental of heavy equipment rental property to certain governmental entities.

Sections 19-29 and 31-38 of this bill make applicable to the tax created by this bill the same provisions governing overpayments, interest, computation of tax and delinquent payments as other taxes imposed in this State.

Sections 39.3 and 39.5 of this bill establish, for Fiscal Years 2024-2025 and 2025-2026, respectively, a method for: (1) the calculation of the amount of tax that would have been paid if heavy equipment rental property were not exempt from personal property tax pursuant to section 39; and (2) the payment of an additional amount of tax by heavy equipment rental companies if the amount of the personal property tax would have been greater than the amount of the tax imposed on the gross receipts from the rental of such property.

Section 39.9 of this bill makes an appropriation to the Department of Taxation for certain costs to carry out the provisions of this act.

Sections 40 and 41 of this bill provide that the tax imposed on the gross receipts from the rental of heavy equipment rental property becomes effective on July 1, 2024, and that the exemption from the personal property tax for heavy equipment rental property does not apply to any taxes due for any period ending on or before June 30, 2024.

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

Section 1. Title 32 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections ~~1.5~~ 1.5 to 34, inclusive, of this act.

Sec. 1.5. The Legislature hereby finds and declares that:

1. Heavy equipment rental property is currently subject to the personal property tax based on the location of the heavy equipment rental property when personal property taxes are assessed.

2. Exempting heavy equipment rental property from the personal property tax and, instead, imposing a tax based on the gross receipts from the charges for the rental of the heavy equipment rental property paid by the renter both relieves burdens on businesses associated with the personal property tax on such property and ensures revenue is still available to governmental entities that receive the proceeds of personal property tax on heavy equipment rental property.

3. The removal of burdens associated with the personal property tax imposed on heavy equipment rental property and replacing the personal property tax with the tax imposed by sections 1.5 to 34, inclusive, of this act will benefit this State by encouraging the expansion of heavy equipment rental businesses in this State and, thereby, expanding the availability of such equipment for construction projects in this State.

4. The most administratively feasible and practicable manner to determine the businesses exempt from the personal property tax on heavy equipment rental property and, instead, required to pay the tax imposed by sections 1.5 to 34, inclusive, of this act is to categorize these businesses based on the NAICS code of the industry in which the business is primarily engaged.

5. To enable heavy equipment rental companies to expand in this State, such companies must be able to rely on the continuation of the exemption from personal property taxes on heavy equipment rental property and, for that reason, the exemption and the tax imposed by sections 1.5 to 34, inclusive, of this act should remain effective for 40 years.

Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections ~~2.5~~ 2.5 to 8, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 2.5. 1. "Affiliate" means a person who, directly or indirectly, through one or more persons or intermediaries, controls, is controlled by or is under common control with a specified person.

2. As used in this section, "control" means:

(a) Direct or indirect ownership, control or possession of 50 percent or more of the equity ownership of a person; or

(b) Possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or through other means.

Sec. 3. "Commission" means the Nevada Tax Commission.

Sec. 4. 1. "Gross receipts" means the total amount of consideration, including, without limitation, cash, credit, property and services, for which a

heavy equipment rental company rents heavy equipment rental property, valued in money, whether received in money or otherwise, and without any deduction for:

(a) The cost of the heavy equipment rental property to the heavy equipment rental company;

(b) The cost of materials used, labor or service cost, interest paid, losses, the cost of transportation to the heavy equipment rental company, taxes imposed on the heavy equipment rental company or any other expense of the heavy equipment rental company; and

(c) Any charges by the heavy equipment rental company for any services necessary to complete the rental, including, without limitation, any delivery charges which are not stated separately and any installation charges which are not stated separately.

2. The term does not include:

(a) Any fees or charges for the delivery or transportation of heavy equipment rental property which are stated separately;

(b) Any installation or other service charges which are stated separately;

(c) Any discounts, including, without limitation, those in the form of cash, term or coupons that are not reimbursed by a third party, which are allowed by the heavy equipment rental company and taken by the renter on a rental;

(d) Any interest, financing or carrying charges from credit extended on the rental of heavy equipment rental property, if stated separately;

(e) Any taxes legally imposed directly on the renter which are stated separately; and

(f) Any other separately stated charges or fees.

Sec. 5. 1. "Heavy equipment rental company" means a ~~business that~~ person who is classified under 532412 or 532310 of the 2022 North American Industry Classification System, as published by the Bureau of the Census of the United States Department of Commerce, and is primarily engaged in the business of renting heavy equipment rental property, without an operator, to the public from a location in this State.

2. The term does not include a person who is:

(a) Engaged in the business of renting heavy equipment rental property primarily to related persons or affiliates who operate or drive, or both operate and drive, such equipment regardless of the NAICS code that applies to the business; or

(b) Primarily engaged in the business of renting heavy equipment rental property with an operator.

Sec. 6. "Heavy equipment rental property" means property, machinery and equipment held in the inventory of a heavy equipment rental company ~~or an affiliate of a heavy equipment rental company,~~ for sale or rental in the regular course of business. The term includes, without limitation, property, machinery and equipment that is customarily used or designed for construction and industrial purposes, including, without limitation, earthmoving equipment, ~~cranes,~~ lift equipment, material handling

equipment, pumps, generators, compressors, portable power equipment, heating, ventilation and air conditioning equipment, portable offices, containers, tank trailers and self-propelled equipment.

Sec. 6.5. "North American Industry Classification System" or "NAICS" means the most recently published version of the North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce.

Sec. 7. "Rent," "rental" or "renting" means entering into an agreement with a heavy equipment rental company for the use of heavy equipment rental property in exchange for consideration for a period:

1. Not to exceed 365 days; or
2. That is open-ended under the terms of the rental contract with no specified end date.

Sec. 8. "Renter" means a person who rents heavy equipment rental property from a heavy equipment rental company in this State.

Sec. 9. The Department shall administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for those purposes.

Sec. 10. 1. Each person responsible for maintaining the records of a heavy equipment rental company shall:

(a) Keep such records as may be necessary to determine the amount of the liability of the heavy equipment rental company pursuant to the provisions of this chapter;

(b) Preserve those records for 5 years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and

(c) Make the records available for inspection by the Department upon demand at reasonable times during regular business hours.

2. The Department may adopt regulations specifying the types of records which must be kept to determine the amount of liability of a heavy equipment rental company for the tax imposed by this chapter.

3. Any person who violates the provisions of subsection 1 is guilty of a misdemeanor.

Sec. 11. 1. To verify the accuracy of any return filed or, if no return is filed by a taxpayer, to determine the amount required to be paid, the Department, or any person authorized in writing by the Department, may examine the books, papers and records of any person who may be liable for the tax imposed by this chapter.

2. Any person who may be liable for the tax imposed by this chapter and who keeps outside of this State any books, papers and records relating thereto shall pay to the Department an amount equal to the allowance provided for state officers and employees generally while traveling outside of this State for each day or fraction thereof during which an employee of the Department is engaged in examining those documents, plus any other actual expenses incurred by the employee while he or she is absent from his or her regular place of employment to examine those documents.

Sec. 12. *An excise tax is hereby imposed upon each heavy equipment rental company at the rate of 2 percent of the gross receipts of the heavy equipment rental company from the rental of heavy equipment rental property to a renter in this State.*

Sec. 13. *There is exempted from the computation of the amount of the tax due pursuant to this chapter the gross receipts from the rental of any heavy equipment rental property to:*

1. *The United States, its unincorporated agencies and instrumentalities;*
2. *Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States;*
3. *The State of Nevada, its unincorporated agencies and instrumentalities;*
4. ~~*[Any federally recognized Indian tribe or nation or tribe member thereof]*~~
- ~~5.~~ *Any county, city, district or other political subdivision of this State; and*
- ~~6.~~ 5. *Any other person or entity that this State is prohibited from taxing under the United States Constitution, laws or treaties of the United States or the Nevada Constitution.*

Sec. 14. *The tax imposed by section 12 of this act shall be collected by the heavy equipment rental company from the renter at the time of rental.*

Sec. 15. *A heavy equipment rental company shall hold the amount of all taxes collected pursuant to this chapter in a separate account in trust for the State.*

Sec. 16. *Each person engaging in or conducting business as a heavy equipment rental company in this State shall register with the Department. Every application for registration must:*

1. *Be made upon a form prescribed by the Department;*
2. *Set forth the name under which the applicant transacts or intends to transact business and the location or locations of the applicant's place or places of business in this State;*
3. *Contain a certification that the applicant transacts or intends to transact business as a heavy equipment rental company; and*
4. *Set forth any other information that the Department may require.*

Sec. 17. 1. *Each heavy equipment rental company shall, on or before the last day of the month immediately following the end of each calendar quarter:*

(a) *File with the Department a return on a form prescribed by the Department which includes such information as the Department may require; and*

(b) *Remit to the Department any tax due pursuant to this chapter for that calendar quarter.*

2. *Each return required to be filed by this section must state separately the gross receipts from the rental of heavy equipment rental property ~~from each business location in this State~~ for each county to which the gross receipts are*

attributable pursuant to subsection 5 of section 18 of this act rented during the period covered by the return.

Sec. 18. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid under this chapter must be paid to the Department in the form of remittances payable to the Department.

2. The Department shall deposit the payments in the State Treasury to the credit of the Heavy Equipment Rental Tax Account, which is hereby created in the State General Fund.

3. The State Controller, acting upon the collection data furnished by the Department, shall, from the Heavy Equipment Rental Tax Account:

(a) Transfer 0.75 percent of all fees, taxes, interest and penalties collected in each county during the preceding quarter to the appropriate account in the State General Fund as compensation to the State for the costs of collecting the tax.

(b) Determine for each ~~taxing district in a~~ county the amount of money equal to the fees, taxes, interest and penalties attributable to the ~~taxing district~~ county pursuant to this chapter during the preceding quarter, less the amount transferred pursuant to paragraph (a).

(c) On or before ~~October 30 of each fiscal year,~~ the last day of the first month of each calendar quarter, after subtracting the amount transferred pursuant to paragraph (a):

(1) Transfer to the Consolidated Bond Interest and Redemption Fund created by NRS 349.090 an amount equal to the fees, taxes, interest and penalties attributable to each taxing district for the ~~period beginning on July 1 of the~~ immediately preceding ~~fiscal year and ending on December 31 of the immediately preceding fiscal year, multiplied~~ calendar quarter by the percentage of the fees, taxes, interest and penalties imposed pursuant to chapter 361 of NRS on heavy equipment rental property attributable to a taxing district that ~~would have been~~ are distributed to the Consolidated Bond Interest and Redemption Fund ~~if the fees, taxes, interest and penalties were taxes imposed pursuant to chapter 361 of NRS.~~ for Fiscal Year 2023-2024.

(2) Transfer to the Intergovernmental Fund created by NRS 353.254 and remit to each county an amount equal to the fees, taxes, interest and penalties attributable to ~~each taxing district in~~ the county pursuant to this chapter during the ~~period beginning on July 1 of the immediately preceding fiscal year and ending on December 31 of the~~ immediately preceding ~~fiscal year,~~ less the amounts transferred pursuant to subparagraph (1) of this paragraph.

~~(d) On or before April 30 of each fiscal year, after subtracting the amount transferred pursuant to paragraph (a):~~

~~(1) Transfer to the Consolidated Bond Interest and Redemption Fund created by NRS 349.090 an amount equal to the fees, taxes, interest and penalties attributable to each taxing district for the period beginning on January 1 of the immediately preceding fiscal year and ending on June 30 of the immediately preceding fiscal year, multiplied by the percentage of the fees, taxes, interest and penalties attributable to a taxing district that would have~~

~~been distributed to the Consolidated Bond Interest and Redemption Fund if the fees, taxes, interest and penalties were taxes imposed pursuant to chapter 361 of NRS.~~

~~(2) Transfer to the Intergovernmental Fund created by NRS 353.254 and remit to each county an amount equal to the fees, taxes, interest and penalties attributable to each taxing district in the county pursuant to this chapter during the period beginning on January 1 of the immediately preceding fiscal year and ending on June 30 of the immediately preceding fiscal year, less the amounts transferred pursuant to subparagraph (1) of this paragraph.] calendar quarter.~~

~~4. [At the time of transferring money to the Intergovernmental Fund pursuant to subsection 3, the Department shall:~~

~~(a) Inform each county auditor of the amount remitted to the county.~~

~~(b) Certify to the county auditor the taxing districts within the county to which the tax imposed by section 12 of this act was attributable during the relevant portion of the fiscal year and the amount of the tax collected with respect to each taxing district.~~

~~5.]~~ The county treasurer shall deposit the money received by the county pursuant to this chapter in a separate account for apportionment at the same time that money is apportioned pursuant to NRS 361.755. Money received by the county pursuant to this chapter must be apportioned and distributed among the taxing units of the county in the same ~~manner~~ proportion that property taxes ~~were~~ are on heavy equipment rental property were apportioned and distributed for Fiscal Year 2023-2024 with respect to property located in the taxing district to which the tax imposed by section 12 is attributable.

~~6.]~~ 5. For the purposes of this section, the tax imposed by section 12 of this act is attributable to the ~~taxing district~~ county to which the rental of heavy equipment rental property is sourced. The Commission may adopt regulations establishing rules for the sourcing of the rental of heavy equipment rental property. Until the Commission adopts regulations to the contrary, the rental of heavy equipment rental property is sourced to ~~the business~~ :

(a) Except as otherwise provided in paragraph (b), the county of the business location of the heavy equipment rental company from which the heavy equipment rental property is rented ~~is~~ ; or

(b) If the heavy equipment rental company is rented in a county in which the heavy equipment rental company does not maintain a business location from which heavy equipment rental property is rented, the county in which the heavy equipment rental property is rented, based on location information provided by the renter.

Sec. 19. Upon written application made before the date on which payment must be made, the Department may for good cause extend by 30 days the time within which a taxpayer is required to pay the tax imposed by this chapter. If the tax is paid during the period of extension, no penalty or late charge may be imposed for failure to pay at the time required, but the taxpayer shall pay interest at the rate of 1 percent per month from the date on which the

amount would have been due without the extension until the date of payment, unless otherwise provided in NRS 360.232 or 360.320.

Sec. 20. If the Department determines that any tax, penalty or interest has been paid more than once or has been erroneously or illegally collected or computed, the Department shall set forth that fact in the records of the Department and certify to the State Board of Examiners the amount collected in excess of the amount legally due and the person from whom it was collected or by whom it was paid. If approved by the State Board of Examiners, the excess amount collected or paid must, after being credited against any amount then due from the person in accordance with NRS 360.236, be refunded to the person or his or her successors in interest.

Sec. 21. 1. Except as otherwise provided in NRS 360.235 and 360.395:

(a) No refund may be allowed unless a claim for it is filed with the Department within 3 years after the last day of the month following the calendar quarter for which the overpayment was made.

(b) No credit may be allowed after the expiration of the period specified for filing claims for refund unless a claim for credit is filed with the Department within that period.

2. Each claim must be in writing and must state the specific grounds upon which the claim is founded.

3. Failure to file a claim within the time prescribed in this chapter constitutes a waiver of any demand against the State on account of overpayment.

4. Within 30 days after rejecting any claim in whole or in part, the Department shall serve notice of its action on the claimant in the manner prescribed for service of notice of a deficiency determination.

Sec. 22. 1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, interest must be paid upon any overpayment of any amount of the taxes imposed by this chapter at the rate set forth in, and in accordance with the provisions of, NRS 360.2937.

2. If the Department determines that any overpayment has been made intentionally or by reason of carelessness, the Department shall not allow any interest on the overpayment.

Sec. 23. 1. No injunction, writ of mandate or other legal or equitable process may issue in any suit, action or proceeding in any court against this State or against any officer of the State to prevent or enjoin the collection under this chapter of the tax imposed by this chapter or any amount of tax, penalty or interest required to be collected.

2. No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been erroneously or illegally determined or collected unless a claim for refund or credit has been filed.

Sec. 24. 1. Within 90 days after a final decision upon a claim filed pursuant to this chapter is rendered by the Commission, the claimant may bring an action against the Department on the grounds set forth in the claim in a court of competent jurisdiction in Carson City, the county of this State

where the claimant resides or maintains his or her principal place of business or a county in which any relevant proceedings were conducted by the Department, for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed.

2. Failure to bring an action within the time specified constitutes a waiver of any demand against the State on account of alleged overpayments.

Sec. 25. 1. If the Department fails to mail notice of action on a claim within 6 months after the claim is filed, the claimant may consider the claim disallowed and file an appeal with the Commission within 30 days after the last day of the 6-month period. If the claimant is aggrieved by the decision of the Commission rendered on appeal, the claimant may, within 90 days after the decision is rendered, bring an action against the Department on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

2. If judgment is rendered for the plaintiff, the amount of the judgment must first be credited towards any tax due from the plaintiff.

3. The balance of the judgment must be refunded to the plaintiff.

Sec. 26. In any judgment, interest must be allowed at the rate of 3 percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment, or to a date preceding the date of the refund warrant by not more than 30 days. The date must be determined by the Department.

Sec. 27. A judgment may not be rendered in favor of the plaintiff in any action brought against the Department to recover any amount paid when the action is brought by or in the name of an assignee of the person paying the amount or by any person other than the person who paid the amount.

Sec. 28. 1. The Department may recover a refund or any part thereof which is erroneously made and any credit or part thereof which is erroneously allowed in an action brought in a court of competent jurisdiction in Carson City or Clark County in the name of the State of Nevada.

2. The action must be tried in Carson City or Clark County unless the court, with the consent of the Attorney General, orders a change of place of trial.

3. The Attorney General shall prosecute the action, and the provisions of the Nevada Revised Statutes, the Nevada Rules of Civil Procedure and the Nevada Rules of Appellate Procedure relating to service of summons, pleadings, proofs, trials and appeals are applicable to the proceedings.

Sec. 29. 1. If any amount in excess of \$25 has been illegally determined, either by the Department or by the person filing the return, the Department shall certify this fact to the State Board of Examiners, and the latter shall authorize the cancellation of the amount upon the records of the Department.

2. If an amount not exceeding \$25 has been illegally determined, either by the Department or by the person filing the return, the Department, without certifying this fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.

Sec. 30. 1. A person shall not:

(a) Make, cause to be made or permit to be made any false or fraudulent return or declaration or false statement in any report or declaration, with intent to defraud the State or to evade payment of the tax or any part of the tax imposed by this chapter; or

(b) Make, cause to be made or permit to be made any false entry in books, records or accounts with intent to defraud the State or to evade the payment of the tax or any part of the tax imposed by this chapter.

2. Any person who violates the provisions of subsection 1 is guilty of a gross misdemeanor.

Sec. 31. Except as otherwise provided in sections 10 and 30 of this act, a person who violates any provision of this chapter is guilty of a misdemeanor.

Sec. 32. Any prosecution for violation of any provision of this chapter must be instituted within 3 years after the commission of the offense.

Sec. 33. In the determination of any case arising under this chapter, the rule of *res judicata* is applicable only if the liability involved is for the same period as was involved in another case previously determined.

Sec. 34. The remedies of the State provided for in this chapter are cumulative, and no action taken by the Department or the Attorney General constitutes an election by the State to pursue any remedy to the exclusion of any other remedy for which provision is made in this chapter.

Sec. 35. NRS 360.2937 is hereby amended to read as follows:

360.2937 1. Except as otherwise provided in this section, NRS 360.320 or any other specific statute, and notwithstanding the provisions of NRS 360.2935, interest must be paid upon an overpayment of any tax provided for in chapter 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372B, 374, 377, 377A, 377C or 377D of NRS, or sections ~~1.5~~ 1.5 to 34, inclusive, of this act, any of the taxes provided for in NRS 372A.290, any fee provided for in NRS 444A.090, 482.313, 482C.230 or 482C.240, or any assessment provided for in NRS 585.497, at the rate of 0.25 percent per month from the last day of the calendar month following the period for which the overpayment was made.

2. No refund or credit may be made of any interest imposed on the person making the overpayment with respect to the amount being refunded or credited.

3. The interest must be paid:

(a) In the case of a refund, to the last day of the calendar month following the date upon which the person making the overpayment, if the person has not already filed a claim, is notified by the Department that a claim may be filed or the date upon which the claim is certified to the State Board of Examiners, whichever is earlier.

(b) In the case of a credit, to the same date as that to which interest is computed on the tax or the amount against which the credit is applied.

Sec. 36. NRS 360.300 is hereby amended to read as follows:

360.300 1. If a person fails to file a return or the Department is not satisfied with the return or returns of any tax, contribution or premium or

amount of tax, contribution or premium required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585 or 680B of NRS, *or sections ~~1.5~~ 1.5 to 34, inclusive, of this act*, as administered or audited by the Department, it may compute and determine the amount required to be paid upon the basis of:

- (a) The facts contained in the return;
- (b) Any information within its possession or that may come into its possession; or
- (c) Reasonable estimates of the amount.

2. One or more deficiency determinations may be made with respect to the amount due for one or for more than one period.

3. In making its determination of the amount required to be paid, the Department shall impose interest on the amount of tax determined to be due, calculated at the rate and in the manner set forth in NRS 360.417, unless a different rate of interest is specifically provided by statute.

4. The Department shall impose a penalty of 10 percent in addition to the amount of a determination that is made in the case of the failure of a person to file a return with the Department.

5. When a business is discontinued, a determination may be made at any time thereafter within the time prescribed in NRS 360.355 as to liability arising out of that business, irrespective of whether the determination is issued before the due date of the liability.

Sec. 37. NRS 360.417 is hereby amended to read as follows:

360.417 Except as otherwise provided in NRS 360.232 and 360.320, and unless a different penalty or rate of interest is specifically provided by statute, any person who fails to pay any tax provided for in chapter 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372B, 374, 377, 377A, 377C, 377D, 444A or 585 of NRS, *or sections ~~1.5~~ 1.5 to 34, inclusive, of this act*, any of the taxes provided for in NRS 372A.290, or any fee provided for in NRS 482.313, 482C.230 or 482C.240, and any person or governmental entity that fails to pay any fee provided for in NRS 360.787, to the State or a county within the time required, shall pay a penalty of not more than 10 percent of the amount of the tax or fee which is owed, as determined by the Department, in addition to the tax or fee, plus interest at the rate of 0.75 percent per month, or fraction of a month, from the last day of the month following the period for which the amount or any portion of the amount should have been reported until the date of payment. The amount of any penalty imposed must be based on a graduated schedule adopted by the Nevada Tax Commission which takes into consideration the length of time the tax or fee remained unpaid.

Sec. 38. NRS 360.510 is hereby amended to read as follows:

360.510 1. If any person is delinquent in the payment of any tax or fee administered by the Department or if a determination has been made against the person which remains unpaid, the Department may:

(a) Not later than 3 years after the payment became delinquent or the determination became final; or

(b) Not later than 6 years after the last recording of an abstract of judgment or of a certificate constituting a lien for tax owed,

↳ give a notice of the delinquency and a demand to transmit personally or by registered or certified mail to any person, including, without limitation, any officer or department of this State or any political subdivision or agency of this State, who has in his or her possession or under his or her control any credits or other personal property belonging to the delinquent, or owing any debts to the delinquent or person against whom a determination has been made which remains unpaid, or owing any debts to the delinquent or that person. In the case of any state officer, department or agency, the notice must be given to the officer, department or agency before the Department presents the claim of the delinquent taxpayer to the State Controller.

2. A state officer, department or agency which receives such a notice may satisfy any debt owed to it by that person before it honors the notice of the Department.

3. After receiving the demand to transmit, the person notified by the demand may not transfer or otherwise dispose of the credits, other personal property, or debts in his or her possession or under his or her control at the time the person received the notice until the Department consents to a transfer or other disposition.

4. Every person notified by a demand to transmit shall, within 10 days after receipt of the demand to transmit, inform the Department of and transmit to the Department all such credits, other personal property or debts in his or her possession, under his or her control or owing by that person within the time and in the manner requested by the Department. Except as otherwise provided in subsection 5, no further notice is required to be served to that person.

5. If the property of the delinquent taxpayer consists of a series of payments owed to him or her, the person who owes or controls the payments shall transmit the payments to the Department until otherwise notified by the Department. If the debt of the delinquent taxpayer is not paid within 1 year after the Department issued the original demand to transmit, the Department shall issue another demand to transmit to the person responsible for making the payments informing him or her to continue to transmit payments to the Department or that his or her duty to transmit the payments to the Department has ceased.

6. If the notice of the delinquency seeks to prevent the transfer or other disposition of a deposit in a bank or credit union or other credits or personal property in the possession or under the control of a bank, credit union or other depository institution, the notice must be delivered or mailed to any branch or office of the bank, credit union or other depository institution at which the deposit is carried or at which the credits or personal property is held.

7. If any person notified by the notice of the delinquency makes any transfer or other disposition of the property or debts required to be withheld or

transmitted, to the extent of the value of the property or the amount of the debts thus transferred or paid, that person is liable to the State for any indebtedness due pursuant to this chapter, chapter 360B, 362, 363A, 363B, 363C, 363D, 369, 370, 372, 372A, 372B, 374, 377, 377A, 377C, 377D or 444A of NRS, NRS 482.313, 482C.230 or 482C.240, or chapter 585 or 680B of NRS *or sections ~~12~~ 1.5 to 34, inclusive, of this act* from the person with respect to whose obligation the notice was given if solely by reason of the transfer or other disposition the State is unable to recover the indebtedness of the person with respect to whose obligation the notice was given.

Sec. 39. NRS 361.068 is hereby amended to read as follows:

361.068 1. The following personal property is exempt from taxation:

- (a) Personal property held for sale by a merchant;
- (b) Personal property held for sale by a manufacturer;
- (c) Raw materials and components held by a manufacturer for manufacture into products, and supplies to be consumed in the process of manufacture;
- (d) Tangible personal property purchased by a business which will be consumed during the operation of the business;
- (e) Livestock;
- (f) Colonies of bees;
- (g) Pipe and other agricultural equipment used to convey water for the irrigation of legal crops;
- (h) All boats;
- (i) Slide-in campers and camper shells;
- (j) Except as otherwise provided in NRS 361.186, fine art for public display; ~~and~~
- (k) All personal property that is:
 - (1) Owned by a person who is not a resident of this state; and
 - (2) Located in this state solely for the purposes of:
 - (I) An exhibit that is used in a convention or tradeshow that is located in this State; or
 - (II) A display, exhibition, carnival, fair or circus that is transient in nature and is located in this State for not more than 30 days ~~+~~; *and*

(l) Heavy equipment rental property.

2. The Nevada Tax Commission may exempt from taxation that personal property for which the annual taxes would be less than the cost of collecting those taxes. If such an exemption is provided, the Nevada Tax Commission shall annually determine the average cost of collecting property taxes in this state which must be used in determining the applicability of the exemption.

3. A person claiming the exemption provided for in paragraph (j) of subsection 1 shall:

(a) On or before June 15 for the next ensuing fiscal year, file with the county assessor an affidavit declaring that the fine art will, during that ensuing fiscal year, meet all the criteria set forth in paragraph (b) of subsection 4; and

(b) During any fiscal year in which the person claims the exemption, make available for educational purposes and not for resale, upon written request and

without charge to any public school as defined in NRS 385.007, private school as defined in NRS 394.103 and parent of a child who receives instruction in a home pursuant to NRS 392.070, one copy of a poster depicting the fine art that the facility has on public display if such a poster is available for purchase by the public at the time of the request.

4. As used in this section:

(a) "Boat" includes any vessel or other watercraft, other than a seaplane, used or capable of being used as a means of transportation on the water.

(b) "Fine art for public display":

(1) Except as otherwise provided in subparagraph (2), means a work of art which:

(I) Is an original painting in oil, mineral, water colors, vitreous enamel, pastel or other medium, an original mosaic, drawing or sketch, an original sculpture of clay, textiles, fiber, wood, metal, plastic, glass or a similar material, an original work of mixed media or a lithograph;

(II) Was purchased in an arm's length transaction for \$25,000 or more, or has an appraised value of \$25,000 or more;

(III) Is on public display in a public or private art gallery, museum or other building or area in this state for at least 20 hours per week during at least 35 weeks of each year for which the exemption is claimed or, if the facility displaying the fine art disposes of it before the end of that year, during at least two-thirds of the full weeks during which the facility had possession of it, or if the gallery, museum or other building or area in which the fine art will be displayed will not be opened until after the beginning of the fiscal year for which the exemption is claimed, these display requirements must be met for the first full fiscal year after the date of opening, and the date of opening must not be later than 2 years after the purchase of the fine art being displayed; and

(IV) Is on display in a facility that is available for group tours by pupils or students for at least 5 hours on at least 60 days of each full year for which the exemption is claimed, during which the facility in which it is displayed is open, by prior appointment and at reasonable times, without charge; and

(2) Does not include:

(I) A work of fine art that is a fixture or an improvement to real property;

(II) A work of fine art that constitutes a copy of an original work of fine art, unless the work is a lithograph that is a limited edition and that is signed and numbered by the artist;

(III) Products of filmmaking or photography, including, without limitation, motion pictures;

(IV) Literary works;

(V) Property used in the performing arts, including, without limitation, scenery or props for a stage; or

(VI) Property that was created for a functional use other than, or in addition to, its aesthetic qualities, including, without limitation, a classic or

custom-built automobile or boat, a sign that advertises a business, and custom or antique furniture, lamps, chandeliers, jewelry, mirrors, doors or windows.

(c) "Heavy equipment rental property" has the meaning ascribed to it in section 6 of this act.

(d) "Personal property held for sale by a merchant" includes property that:

(1) Meets the requirements of sub-subparagraphs (I) and (II) of subparagraph (1) of paragraph (b);

(2) Is made available for sale within 2 years after it is acquired; and

(3) Is made available for viewing by the public or prospective purchasers, or both, within 2 years after it is acquired, whether or not a fee is charged for viewing it and whether or not it is also used for purposes other than viewing.

~~{(d)}~~ (e) "Public display" means the display of a work of fine art where members of the public have access to the work of fine art for viewing during publicly advertised hours. The term does not include the display of a work of fine art in an area where the public does not generally have access, including, without limitation, a private office, hallway or meeting room of a business, a room of a business used for private lodging and a private residence.

~~{(e)}~~ (f) "Pupil" means a person who:

(1) Is enrolled for the current academic year in a public school as defined in NRS 385.007 or a private school as defined in NRS 394.103; or

(2) Receives instruction in a home and is excused from compulsory attendance pursuant to NRS 392.070.

~~{(f)}~~ (g) "Student" means a person who is enrolled for the current academic year in:

(1) A community college or university; or

(2) A licensed postsecondary educational institution as defined in NRS 394.099 and a course concerning fine art.

Sec. 39.3. 1. On or before July 31, 2024, each heavy equipment rental company registered with the Department of Taxation on June 30, 2024, shall provide, in such form as the Department may require, a listing of all heavy equipment rental property owned by the heavy equipment rental company and located in a county in this State on July 1, 2024.

2. The Department shall, on or before August 31, 2025:

(a) Calculate the total amount of property tax on heavy equipment rental property that would have been owed to each county for Fiscal Year 2024-2025 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act.

(b) Compare the amount determined pursuant to paragraph (a) to the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2024-2025.

(c) Notwithstanding the provisions of NRS 360.255, publish on the Internet website of the Department notice to the public regarding whether the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2024-2025 is greater than or less than the total amount of property tax on heavy equipment rental property that would have been owed

to the counties in this State for Fiscal Year 2024-2025 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act.

3. If the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2024-2025 is less than the property tax on heavy equipment rental property that would have been owed to the counties in this State for Fiscal Year 2024-2025 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act, there is hereby imposed upon each heavy equipment rental company a tax in an amount which is equal to the difference between the amount of the property tax that the taxpayer would have paid on heavy equipment rental property for Fiscal Year 2024-2025 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act, and the amount of the tax owed by the taxpayer pursuant to section 12 of this act for Fiscal Year 2024-2025. The proceeds of the tax imposed pursuant to this subsection shall be deposited in the State Treasury to the credit of the Heavy Equipment Rental Tax Account created by section 18 of this act and distributed in the same manner as other money deposited in that Account.

Sec. 39.5. 1. On or before July 31, 2025, each heavy equipment rental company registered with the Department of Taxation on June 30, 2025, shall provide, in such form as the Department may require, a listing of all heavy equipment rental property owned by the heavy equipment rental company and located in a county in this State on July 1, 2025.

2. The Department shall, on or before August 31, 2026:

(a) Calculate the total amount of property tax on heavy equipment rental property that would have been owed to each county for Fiscal Year 2025-2026 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act.

(b) Compare the amount determined pursuant to paragraph (a) to the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2025-2026.

(c) Notwithstanding the provisions of NRS 360.255, publish on the Internet website of the Department notice to the public regarding whether the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2025-2026 is greater than or less than the total amount of property tax on heavy equipment rental property that would have been owed to the counties in this State for Fiscal Year 2025-2026 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act

3. If the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Year 2025-2026 is less than the property tax on heavy equipment rental property that would have been owed to the counties in this State for Fiscal Year 2025-2026 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act, there is hereby imposed upon each heavy equipment rental company a tax in an

amount which is equal to the difference between the amount of the property tax that the taxpayer would have paid on heavy equipment rental property for Fiscal Year 2025-2026 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act, and the amount of the tax owed by the taxpayer pursuant to section 12 of this act for Fiscal Year 2025-2026. The proceeds of the tax imposed pursuant to this subsection shall be deposited in the State Treasury to the credit of the Heavy Equipment Rental Tax Account created by section 18 of this act and distributed in the same manner as other money deposited in that Account.

Sec. 39.7. Notwithstanding the provisions of NRS 360.255, the Department of Taxation shall, on or before October 1, 2026, prepare and submit to the Director of the Legislative Counsel Bureau for transmittal to the 84th Session of the Legislature a written report that:

1. Compares the total amount of property tax on heavy equipment rental property that would have been owed to each county for Fiscal Years 2024-2025 and 2025-2026 if such property was not exempted from that tax pursuant to NRS 361.068, as amended by section 39 of this act, and the total amount of the tax imposed pursuant to section 12 of this act on all taxpayers for Fiscal Years 2024-2025 and 2025-2026.

2. Provides recommendations regarding whether the rate of the tax imposed pursuant to section 12 of this act is reasonable or should be increased or decreased to produce revenue which is closer to the amount of revenue that would be generated if heavy equipment rental property was not exempted from the property tax pursuant to NRS 361.068, as amended by section 39 of this act.

Sec. 39.9. 1. There is hereby appropriated from the State General Fund to the Department of Taxation for personnel, operating, equipment and information services to carry out the provisions of this act the following sums:

<u>For the Fiscal Year 2023-2024</u>	<u>\$383,790</u>
<u>For the Fiscal Year 2024-2025</u>	<u>\$350,023</u>

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. 40. The amendatory provisions of section 39 of this act do not apply to any taxes due for any period ending on or before June 30, 2024.

Sec. 41. 1. This section becomes effective upon passage and approval.

2. Section 39.9 of this act becomes effective July 1, 2023.

3. Sections 1 to ~~40,~~ 39.7, inclusive, and 40 of this act become effective:

(a) Upon passage and approval for the purposes of adopting 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.

4. This act expires by limitation on June 30, 2064.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 815 to Senate Bill No. 233 makes the following changes: legislative declarations and findings are added; an exclusion is added for persons engaged in the business of renting heavy equipment rental property primarily to related persons or affiliates; the tax return must state the gross receipts from each taxing district in which the property was rented rather than from the business's location; the proceeds from the tax must be distributed quarterly rather than every six months; a mechanism is created by which the Department of Taxation is required to compare actual collections from the excise tax to the property tax that would have been paid in Fiscal Year (FY) 2025 and FY 2026 and then either collecting an additional amount from the rental companies if the excise tax collected is less than what the property tax would have generated or providing a refund if the excise tax collected is greater than what the property tax would have generated; the Department is required to submit a report and recommendations regarding this tax to the 84th Session of the Legislature; a sunset of June 30, 2064, is added to the bill; and General Fund appropriations of \$383,790 in FY 2024 and \$350,023 in FY 2025 are provided to the Department of Taxation to carry out the provisions of the bill.

Amendment adopted.

Bill read third time.

Remarks by Senator Cannizzaro.

Senate Bill No. 233, as amended, provides an exemption from personal property taxes for qualified heavy equipment rental property as defined in the bill. The bill additionally imposes a new tax at the rate of 2 percent of the gross receipts from the rental of this heavy equipment, which is to be administered by the Department of Taxation. Proceeds from the tax are to be distributed to the recipients of property taxes in the taxing district where the rental occurred.

Senate Bill No. 233, as amended, also creates a mechanism by which the Department of Taxation is required to compare actual collections from the excise tax to the property tax that would have been paid in FY 2025 and FY 2026 and then either collect an additional amount from the rental companies if the excise tax collected is less than what the property tax would have generated or provide a refund if the excise tax collected is greater than what the property tax would have generated.

Finally, this act provides for General Fund appropriations of \$383,790 in FY 2024 and \$350,023 in FY 2025 to the Department of Taxation to carry out the provisions of this act.

Roll call on Senate Bill No. 233:

YEAS—19.

NAYS—Neal, Seevers Gansert—2.

Senate Bill No. 233 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 342.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 826.

SUMMARY—Enacts provisions relating to veterinary medicine. (BDR 34-1012)

AN ACT relating to veterinary medicine; revising provisions relating to certain requirements for participants in a program administered by the Nevada Office of the Western Interstate Commission for Higher Education; requiring the Office to enter into certain contracts and implement certain programs relating to veterinary medicine; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the three Commissioners from the Nevada Office of the Western Interstate Commission for Higher Education to choose applicants who apply for a program administered by the Nevada Office which provides financial support to assist the applicants in attending colleges and universities located within the states and territories that are signatories to the Western Regional Education Compact. (NRS 397.020, 397.060) Existing law further requires a participant who receives a stipend from such a program to complete a practice obligation in a health professional shortage area or an area with a medically underserved population in this State. (NRS 397.0645) Section 1 of this bill provides that this requirement does not apply to a participant who receives a stipend to participate in a program to earn a degree of doctor of veterinary medicine.

Section 2 of this bill makes an appropriation from the State General Fund to the Interim Finance Committee for allocation to the Nevada Office to enter into a contract with Utah State University for a program to provide stipends for the out-of-state tuition of 70 residents of Nevada to earn a degree of doctor of veterinary medicine from the College of Veterinary Medicine at Utah State University.

Section 3 of this bill makes an appropriation from the State General Fund to the Interim Finance Committee for allocation to the Nevada Office for the salary, benefits and operating costs of a Program Officer I position to assist the Nevada Office in carrying out the program to provide stipends.

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

Section 1. NRS 397.0645 is hereby amended to read as follows:

397.0645 1. A participant must repay the stipend received by the participant unless the participant:

(a) Graduates with a degree, certificate or similar credential in the area for which the participant received the stipend.

(b) Except as otherwise provided in NRS 397.0685, practices, in Nevada, the profession for which the degree, certificate or similar credential was awarded for 1 year for each year the participant receives a stipend.

(c) Except as otherwise provided in NRS 397.069:

(1) Commences the participant's practice obligation within 1 year after the completion or termination of the education, internship or residency for which the participant received the stipend.

(2) Completes the participant's practice obligation within 5 years after the completion or termination of the education, internship or residency for which the participant received the stipend.

(d) Reports the participant's practice status annually to the Nevada Office on forms provided by the Nevada Office.

(e) Maintains the participant's permanent residence in the State of Nevada throughout the period of the participant's practice obligation. For purposes of this paragraph:

(1) Merely owning a residence in this State does not satisfy the requirement that a participant must maintain a permanent residence in this State.

(2) A participant who leaves the State for a limited period of time without forming the intent of changing the participant's permanent residence is not considered to have moved the participant's residence.

(f) If the participant received the stipend to participate in a program administered by the Nevada Office ~~+~~ *other than a program for veterinary medicine*, completes the practice required by paragraph (b) of subsection 1 in a health professional shortage area or an area with a medically underserved population in this State.

2. Except as otherwise provided in subsection 3, if a participant does not meet the requirements prescribed in subsection 1, the three Nevada State Commissioners, acting jointly:

(a) Shall convert the stipend into a loan to be repaid in accordance with NRS 397.064 from the first day of the term for which the participant received the stipend.

(b) Shall assess a default charge against the participant if the participant received the stipend to participate in a program administered by the Nevada Office.

(c) May assess a default charge against the participant if the participant received the stipend to participate in a program administered by the office of the Western Interstate Commission for Higher Education established pursuant to Article 7 of the Compact.

3. If the period for the required practice is only partially completed, the three Nevada State Commissioners, acting jointly, may decrease the amount owed under the loan for the time the participant practiced his or her profession as required.

4. As used in this section:

(a) "Area with a medically underserved population" means an area:

(1) Designated as such by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 254c; and

(2) Which meets any additional requirements prescribed by the Nevada Department of Health and Human Services.

(b) "Health professional shortage area" means a geographic area:

(1) Designated as such by the United States Secretary of Health and Human Services pursuant to 42 U.S.C. § 254e; and

(2) Which meets any additional requirements prescribed by the Nevada Department of Health and Human Services.

Sec. 2. 1. There is hereby appropriated from the State General Fund to the Interim Finance Committee for allocation to the Nevada Office of the Western Interstate Commission for Higher Education the sum of \$8,000,000 for entering into a contract with Utah State University to carry out the program required pursuant to subsection 2.

2. The Nevada Office of the Western Interstate Commission for Higher Education shall ~~+~~

~~(a) Enter~~ enter into a contract with Utah State University to implement a program administered by the Nevada Office to provide stipends for the costs of the out-of-state portion of tuition for 70 residents of the State of Nevada to earn a degree of doctor of veterinary medicine from the College of Veterinary Medicine at Utah State University during the period commencing on July 1, 2024, and ending on June 30, 2034. ~~+~~

~~(b) Pursuant~~ The contract must require the Nevada Office, pursuant to NRS 397.060, and in consultation with at least 2 licensed veterinarians, as defined in NRS 638.007, to select from among Nevada residents who apply for the program described in ~~paragraph (a)~~ this subsection and who have at least 1 year of residence in this State immediately before applying for the program, those who are most qualified to participate in the program. ~~+~~ and

~~(c) Administer the program described in paragraph (a). ~~+~~~~

3. Money appropriated by subsection 1 may only be allocated by the Interim Finance Committee upon submittal by the Nevada Office of the Western Interstate Commission for Higher Education of a signed contract between the Nevada Office and Utah State University to carry out the program required pursuant to subsection 2.

4. 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. 3. 1. There is hereby appropriated from the State General Fund to the Interim Finance Committee for allocation to the Nevada Office of the Western Interstate Commission for Higher Education for the salary, benefits and operating costs of a Program Officer I position to assist the Nevada Office in carrying out the program required pursuant to subsection 2 of section 2 of this act the following sums:

For the Fiscal Year 2023-2024	\$79,719
For the Fiscal Year 2024-2025	\$76,132

2. Money appropriated by subsection 1 may only be allocated by the Interim Finance Committee upon submittal by the Nevada Office of the

Western Interstate Commission for Higher Education of a signed contract between the Nevada Office and Utah State University to carry out the program required pursuant to subsection 2 of section 2 of this act.

3. 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. 4. 1. This section and sections 1 and 2 of this act become effective upon passage and approval.

2. Section 3 of this act becomes effective on July 1, 2023.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 826 to Senate Bill No. 342 revises sections 2 and 3, which provide General Fund appropriations totaling \$8,155,851 to the Interim Finance Committee (IFC) for allocation to the Nevada office of the Western Interstate Commission for Higher Education (WICHE) upon submittal by the Nevada office of a signed contract with Utah State University to carry out the provisions in Senate Bill No. 342.

Amendment adopted.

Bill read third time.

Remarks by Senator Goicoechea.

Senate Bill No. 342, as amended, exempts a participant who receives a stipend from the Nevada office of the WICHE program from completing an employment obligation, which is otherwise a requirement for participants completing a degree in a human health field if the participant participates in the program to earn a degree of Doctor of Veterinary Medicine. The bill, as amended, provides General Fund appropriations of \$8 million to the IFC for allocation to the Nevada office upon entering into a contract with Utah State University for a program to provide stipends for the out-of-state tuition of 70 Nevada residents to earn a degree of Doctor of Veterinary Medicine from the College of Veterinary Medicine at Utah State University. Senate Bill No. 342, as amended, further provides General Fund appropriations of \$79,719 in Fiscal Year (FY) 2024 and \$76,132 in FY 2025 to the IFC for allocation to the Nevada Office for one new Program Officer position and associated operating costs to assist the Nevada office in carrying out the provisions of Senate Bill No. 342.

Roll call on Senate Bill No. 342:

YEAS—21.

NAYS—None.

Senate Bill No. 342 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 350.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 827.

SUMMARY—Revises provisions relating to graduate medical education. (BDR 18-553)

AN ACT relating to health care; requiring the Office of Science, Innovation and Technology in the Office of the Governor to establish the Graduate Medical Education Grant Program for the purpose of awarding competitive grants to create, expand and retain residency and fellowship programs for physicians in this State; establishing and prescribing the duties of the Advisory Council on Graduate Medical Education; ~~making an appropriation;~~ and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Office of Science, Innovation and Technology in the Office of the Governor. (NRS 232.600) Section 5 of this bill requires the Office to establish the Graduate Medical Education Grant Program for the purpose of awarding grants to institutions seeking to create, expand or retain accredited programs for residency training and postdoctoral fellowships for physicians. Section 2 of this bill creates the Account for the Graduate Medical Education Grant Program in the State General Fund, requires the Director of the Office to administer the Account and requires money in the Account to be used to award competitive grants pursuant to the Program. Section 3 of this bill establishes the Advisory Council on Graduate Medical Education, and section 4 of this bill requires the Council to make recommendations to the Office concerning applications for grants pursuant to the Program. Under sections 4 and 5, the Council and the Office are required to give priority to applications for grants made for the purpose of retaining programs of residency training and postdoctoral fellowships when the federal funding supporting such programs expires. Section 5 also requires the Office to establish a committee to develop a process, procedure and rubric for evaluating applications for grants pursuant to the Program. Section 6 of this bill requires the Office to submit an annual report to the Governor and the Legislature concerning the Program and any recommendations for the measures to create, expand and retain programs of residency training and postdoctoral fellowships. Sections 7 and 8 of this bill make conforming changes to, respectively: (1) require the Director to provide support for the Council and implement the Program; and (2) clarify that money for the Program is required to be deposited in the Account. ~~Section 9 of this bill makes an appropriation from the State General Fund to the Program.~~ Section 11 of this bill provides that this bill becomes effective upon passage and approval.

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

Section 1. Chapter 223 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. 1. *The Account for the Graduate Medical Education Grant Program is hereby created in the State General Fund. The Director of the*

Office of Science, Innovation and Technology shall administer the Account.

2. *The Director of the Office of Science, Innovation and Technology may:*

(a) *Accept any gift, donation, bequest or devise; and*

(b) *Apply for and accept any grant, loan or other source of money,*

↳ *for deposit in the Account to assist the Director in carrying out the Graduate Medical Education Grant Program established pursuant to section 5 of this act.*

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

4. *The money in the Account must only be used to:*

(a) *Award competitive grants to institutions in this State seeking to create, expand or retain programs for residency training and postdoctoral fellowships that are approved by the Accreditation Council for Graduate Medical Education or its successor organization; and*

(b) *Defray the costs of establishing and administering the Graduate Medical Education Grant Program established pursuant to section 5 of this act.*

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. *Claims against the Account must be paid as other claims against the State are paid.*

Sec. 3. 1. *The Advisory Council on Graduate Medical Education is hereby created within the Office of Science, Innovation and Technology. The Council consists of:*

(a) *The dean of each medical school in this State that is accredited by the Liaison Committee on Medical Education of the American Medical Association and the Association of American Medical Colleges or their successor organizations, or his or her designee;*

(b) *The dean of each school of osteopathic medicine in this State that is accredited by the Commission on Osteopathic College Accreditation of the American Osteopathic Association or its successor organization, or his or her designee;*

(c) *Two members appointed by the Governor who are physicians licensed pursuant to chapter 630 or 633 of NRS;*

(d) *One member appointed by the Governor who represents hospitals located in counties whose population is less than 100,000;*

(e) *One member appointed by the Governor who represents hospitals located in counties whose population is 100,000 or more but less than 700,000;*

(f) *One member appointed by the Governor who represents hospitals located in a county whose population is 700,000 or more;*

(g) *One member appointed by the Governor who represents the medical corps of any of the Armed Forces of the United States;*

(h) One member appointed by the Governor who represents the Department of Health and Human Services; and

(i) One member appointed by the Governor who represents the Office of Economic Development in the Office of the Governor.

2. In addition to the members appointed by the Governor pursuant to subsection 1, the Governor may appoint two members as the Governor determines necessary to carry out the provisions of sections 2 to 6, inclusive, of this act.

3. After the initial terms, the term of each member of the Council is 3 years, and members shall serve at the pleasure of the Governor.

4. Any vacancy occurring in the membership of the Council must be filled in the same manner as the original appointment not later than 30 days after the vacancy occurs.

5. The Council shall select from its members a Chair and a Vice Chair who shall hold office for 1 year and who may be reelected.

6. The Council shall meet at the call of the Chair as often as necessary to evaluate applications for competitive grants for the Graduate Medical Education Grant Program established pursuant to section 5 of this act and make recommendations to the Office of Science, Innovation and Technology concerning the approval of applications for such grants.

7. A majority of the members of the Council constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Council.

8. The members of the Council serve without compensation, except that each member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the official business of the Council.

9. A member of the Council who is an officer or employee of this State or a political subdivision of this State must be relieved from his or her duties without loss of regular compensation to prepare for and attend meetings of the Council and perform any work necessary to carry out the duties of the Council 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 Council to:

(a) Make up the time he or she is absent from work to carry out his or her duties as a member of the Council; or

(b) Take annual leave or compensatory time for the absence.

Sec. 4. The Advisory Council on Graduate Medical Education shall:

1. Evaluate applications for competitive grants for the Graduate Medical Education Grant Program established pursuant to section 5 of this act and make recommendations to the Office of Science, Innovation and Technology concerning the approval of applications for such grants. In evaluating and making recommendations concerning such applications, the Council shall give priority to the award of grants for the retention of programs in this State for

residency training and postdoctoral fellows when the federal funding for the support of such programs expires.

2. Study and make recommendations to the Office of Science, Innovation and Technology, the Governor and the Legislature concerning:

(a) The creation and retention of programs in this State for residency training and postdoctoral fellows that are approved by the Accreditation Council for Graduate Medical Education or its successor organization; and

(b) The recruitment and retention of physicians necessary to meet the health care needs of the residents of this State, with the emphasis on those health care needs.

Sec. 5. 1. The Office of Science, Innovation and Technology shall establish and administer a Graduate Medical Education Grant Program as a competitive grant program to award grants to institutions in this State seeking to create, expand or retain programs for residency training and postdoctoral fellows that are approved by the Accreditation Council for Graduate Medical Education or its successor organization.

2. In awarding grants pursuant to the Program established pursuant to subsection 1, the Office of Science, Innovation and Technology shall consider the recommendations of the Advisory Council on Graduate Medical Education created by section 3 of this act and give priority to the award of grants for the retention of programs in this State for residency training and postdoctoral fellows when the federal funding for the support of such programs expires.

3. The Office of Science, Innovation and Technology shall establish a committee to develop a process, procedure and rubric for evaluating applications for grants pursuant to the Program established pursuant to subsection 1 to ensure that the process and procedure are transparent, without bias, fair, equitable and accessible. The committee established pursuant to this subsection must be composed of persons with expertise in subject matters related to graduate medical education who are not affiliated with any applicant for a grant pursuant to the Program established pursuant to subsection 1.

4. The Office of Science, Innovation and Technology may adopt regulations necessary to carry out the Program established pursuant to subsection 1. Such regulations may include, without limitation, the requirements to apply for and receive a grant.

Sec. 6. 1. On or before October 1 of each year, the Office of Science, Innovation and Technology shall submit a written report to:

(a) The Governor; and

(b) The Director of the Legislative Counsel Bureau for transmittal to:

(1) The Interim Finance Committee in an odd-numbered year; or

(2) The next regular session of the Legislature in an even-numbered year.

2. The report must include, without limitation:

(a) Information on the Graduate Medical Education Grant Program established pursuant to section 5 of this act; and

(b) Any recommendations regarding graduate medical education in this State, including, without limitation:

(1) The creation, expansion and retention of programs in this State for residency training and postdoctoral fellows; and

(2) Methods by which this State may recruit and retain physicians necessary to meet the health care needs of the residents of this State.

Sec. 7. NRS 223.610 is hereby amended to read as follows:

223.610 The Director of the Office of Science, Innovation and Technology shall:

1. Advise the Governor and the Executive Director of the Office of Economic Development on matters relating to science, innovation and technology.

2. Work in coordination with the Office of Economic Development to establish criteria and goals for economic development and diversification in this State in the areas of science, innovation and technology.

3. As directed by the Governor, identify, recommend and carry out policies related to science, innovation and technology.

4. Report periodically to the Executive Director of the Office of Economic Development concerning the administration of the policies and programs of the Office of Science, Innovation and Technology.

5. Coordinate activities in this State relating to the planning, mapping and procurement of broadband service in a competitively neutral and nondiscriminatory manner, which must include, without limitation:

(a) Development of a strategic plan to improve the delivery of broadband services in this State to schools, libraries, providers of health care, transportation facilities, prisons and other community facilities;

(b) Applying for state and federal grants on behalf of eligible entities and managing state matching money that has been appropriated by the Legislature;

(c) Coordinating and processing applications for state and federal money relating to broadband services;

(d) Prioritizing construction projects which affect or involve the expansion or deployment of broadband services in this State;

(e) In consultation with providers of health care from various health care settings, the expansion of telehealth services to reduce health care costs and increase health care quality and access in this State, especially in rural, unserved and underserved areas of this State;

(f) Expansion of the fiber optic infrastructure in this State for the benefit of the public safety radio and communications systems in this State;

(g) Collection and storage of data relating to agreements and contracts entered into by the State for the provision of fiber optic assets in this State;

(h) Administration of the trade policy for fiber optic infrastructure in this State; and

(i) Establishing and administering a program of infrastructure grants for the development or improvement of broadband services for persons with low income and persons in rural areas of this State using money from the Account

for the Grant Program for Broadband Infrastructure created by NRS 223.660. The Director may adopt regulations to carry out his or her duties pursuant to this paragraph.

6. Provide support to the Advisory Council on Science, Technology, Engineering and Mathematics and direct the implementation in this State of plans developed by the Council concerning, without limitation, workforce development, college preparedness and economic development.

7. *Provide support to the Advisory Council on Graduate Medical Education and implement the Graduate Medical Education Grant Program established pursuant to section 5 of this act.*

8. In carrying out his or her duties pursuant to this section, consult with the Executive Director of the Office of Economic Development and cooperate with the Executive Director in implementing the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053.

~~{8.}~~ 9. Administer such grants as are provided by legislative appropriation.

Sec. 8. NRS 223.630 is hereby amended to read as follows:

223.630 1. The Account for the Office of Science, Innovation and Technology is hereby created in the State General Fund. The Account must be administered by the Director of the Office of Science, Innovation and Technology.

2. Except as otherwise provided in NRS 223.660 ~~{}~~ and section 2 of this act, any money accepted pursuant to NRS 223.620 must be deposited in the Account.

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

4. The money in the Account must only be used to carry out the duties of the Director.

5. Claims against the Account must be paid as other claims against the State are paid.

Sec. 9. ~~{There is hereby appropriated from the State General Fund to the Account for the Graduate Medical Education Grant Program created by section 2 of this act, the sum of \$17,000,000 for the Graduate Medical Education Grant Program established pursuant to section 5 of this act.}~~
(Deleted by amendment.)

Sec. 10. 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. 11. This act becomes effective upon passage and approval.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 827 to Senate Bill No. 350 deletes section 9, which appropriates \$17 million in General Funds for the Graduate Medical Education Program, and adds the requirement that the Office of Science, Innovation and Technology shall establish a committee of people with expertise

in subject matters related to graduate medical education to develop a process, procedure and rubric for evaluation of applications for grants.

Amendment adopted.

Bill read third time.

Remarks by Senators Pazina, Titus and Stone.

SENATOR PAZINA:

Senate Bill No. 350, as amended, requires the Office of Science, Innovation and Technology to establish the Graduate Medical Education Grant Program to award grants to institutions seeking to create, expand or retain accredited programs for residency training and postdoctoral fellowships for physicians and creates the Account for the Graduate Medical Education Grant Program to carry out the program.

Senate Bill No. 350, as amended, directs the Office of Science, Innovation and Technology to establish a committee of people with expertise in subject matters related to graduate medical education to develop a process, procedure and rubric for evaluation of applications for grants.

SENATOR TITUS:

I support Senate Bill No. 350. Although I am disappointed that not all the things we had hoped would be in the bill, I do recognize there is a step process here. There is some funding. I look forward to working with my colleague from Senate District 12 on looking at some continual and guaranteed funding in the future. I urge your support of this bill.

SENATOR STONE:

I support this bill. I want to applaud my colleague in Southern Nevada District 12 and my colleague in District 17. They have worked hard to get Graduate Medical Education funding.

The reason why I am standing up is because my wife is at Cedars-Sinai hospital tonight. The reason why she is there tonight is because she could not get in to see a specialist here in Nevada in a timely way. She is going to be fine, but I wanted to exemplify why this is so important and why we need to fund this.

We are exporting a lot of our health care dollars to other states. We need to nurture those professionals here, so we can make it convenient for Nevadans to get the appropriate professional medical care right here in our home State. It is not going to happen until we fully fund a strong residency program, nurture the medical school students we have in Nevada and get their residencies here, knowing that 70 percent of those who do their residencies here will stay here. I applaud the author and my colleague, and I urge you all to vote "yes" on this measure.

Roll call on Senate Bill No. 350:

YEAS—21.

NAYS—None.

Senate Bill No. 350 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 413.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 828.

SUMMARY—Revises provisions relating to credits to reduce the sentence of an offender. (BDR 16-313)

Contains Appropriation not included in Executive Budget.

AN ACT relating to sentencing; revising the method for determining credits to reduce the sentence of an offender; requiring the Director of the Department

of Corrections to provide an offender with a list of certain programs; requiring the Director of the Department to submit a report to the Board of State Prison Commissioners which includes certain information concerning the institutional programming and placement of an offender under certain circumstances; requiring the Board of State Prison Commissioners to adopt regulations to carry out the revised method for determining credits to reduce the sentence of an offender; requiring the Department to share information with the Office of the Attorney General concerning actions taken to implement the revised method for determining credits to reduce the sentence of an offender; requiring the Department to report to the Interim Finance Committee concerning such actions; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law allows an offender to earn certain credits to reduce his or her sentence of imprisonment. (NRS 209.432-209.453) For example, under existing law, an offender who is sentenced to prison for a crime committed on or after July 17, 1997, may, under certain circumstances, be allowed: (1) a deduction of 20 days from his or her sentence for each month the offender serves; (2) up to 10 days of credit each month for diligence in labor and study; (3) certain credits for educational achievement; (4) up to 10 days of credit each month for participation in a center for the purpose of making restitution, program for reentry of offenders and parolees into the community, conservation camp, program of work release or another program conducted outside of the prison; (5) up to 90 days of credit each year for exceptional meritorious service; and (6) if the Governor determines, by executive order, that it is necessary, a deduction of up to 5 days from his or her sentence for each month the offender serves. Existing law provides that such credits must be deducted from the maximum term or the maximum aggregate term imposed by the sentence, as applicable, and apply to eligibility for parole unless the offender was sentenced pursuant to a statute which specifies a minimum sentence that must be served before a person becomes eligible for parole. Existing law also provides that, unless an offender has been convicted of certain crimes, such credits must also be deducted from the minimum term or the minimum aggregate term imposed by the sentence, as applicable, until the offender becomes eligible for parole. (NRS 209.4465) Existing law also allows certain offenders to earn credit for: (1) being incarcerated during a state of emergency due to communicable or infectious disease; (2) completing a program of treatment for an alcohol or other substance use disorder; and (3) completing a vocational education and training or other program. (NRS 209.4477, 209.448, 209.449)

Existing law requires the Director of the Department of Corrections to administer a risk and needs assessment to each person in the custody of the Department to measure criminal risk factors and individual needs for the purpose of guiding institutional programming and placement. (NRS 209.341) Before a meeting to consider a prisoner for parole, existing law requires the

Department to compile and provide to the State Board of Parole Commissioners data that will assist the Board in determining whether parole should be granted to the prisoner. (NRS 213.131)

This bill provides a revised method for determining credits to reduce the sentence of an offender that applies to an offender sentenced to prison for a crime committed: (1) on or after ~~January~~ July 1, 2025; or (2) before ~~January~~ July 1, 2025, if the offender elects to be subject to the revised method.

Section 1 of this bill provides that an offender who complies with the programming and placement identified in the risk and needs assessment administered to the offender, as determined by the Director, must be allowed credit against the minimum term or minimum aggregate term, as applicable, of his or her sentence for good behavior in an amount of days that is equivalent to 35 percent of the minimum term or minimum aggregate term, as applicable, of the sentence of the offender. Section 1 does not apply to an offender who has been convicted of: (1) any crime that is punishable as a felony involving the use or threatened use of force or violence against the victim; (2) a sexual offense that is punishable as a felony; (3) certain offenses relating to driving under the influence of alcohol or a controlled substance that are punishable as a felony; or (4) a category A or B felony. Therefore, under section 1, an offender convicted of such an offense is not eligible for credit to reduce the minimum term or minimum aggregate term, as applicable, of his or her sentence.

Section 1 also provides for the allowance of credit against the maximum term or maximum aggregate term, as applicable, of the sentence of an offender. Under section 1, an offender who complies with the programming and placement identified in the risk and needs assessment administered to the offender, as determined by the Director, must be allowed credit against the maximum term or maximum aggregate term, as applicable, of his or her sentence for good behavior in an amount of days that is equivalent to 35 percent of the maximum term or maximum aggregate term, as applicable, of his or her sentence.

Section 1 requires the Director to provide each offender in the custody of the Department with a list that includes: (1) the programs identified in the risk and needs assessment administered to the offender, as determined by the Director; (2) the programs available at the institution or facility to which the offender has been assigned; and (3) which of the programs identified in the risk and needs assessment are available at the institution or facility to which the offender has been assigned. At the time the Department compiles and provides to the State Board of Parole Commissioners data that will assist the Board in determining whether parole should be granted to an offender, section 1 requires the Director to additionally submit to the Board a report that includes: (1) the list of programs provided to each offender in the custody of the Department; and (2) the programs the offender has successfully completed.

Section 2 of this bill makes a conforming change to indicate the proper placement of section 1 in the Nevada Revised Statutes. Sections 3-10 of this

bill make conforming changes to include necessary references to section 1 and to reflect the changes in section 1.

Section 10.1 of this bill appropriates money to the Department to pay for the costs of upgrading its information technology system that is necessary to carry out the provisions of section 1. Section 10.3 of this bill appropriates money to the Department for personnel costs associated with carrying out the provisions of section 1.

Section 10.5 of this bill requires the Department to: (1) not later than December 31, 2024, report to the Interim Finance Committee on the actions taken by the Department to implement the provisions of this bill; and (2) share information with the Office of the Attorney General concerning the actions taken by the Department to implement the provisions of this bill.

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

Section 1. Chapter 209 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Except as otherwise provided in this subsection, an offender who complies with the programming and placement identified in the risk and needs assessment administered pursuant to NRS 209.341, as determined by the Director, must be allowed credit against the minimum term or minimum aggregate term, as applicable, of his or her sentence for good behavior in an amount of days that is equivalent to 35 percent of the minimum term or minimum aggregate term, as applicable, of the sentence of the offender. Any credit allowed pursuant to this subsection may reduce the minimum term or the minimum aggregate term imposed by the sentence, as applicable, by not more than 58 percent. Credit must be allowed for the period the offender is actually incarcerated pursuant to his or her sentence and applies to eligibility for parole, unless the offender was sentenced pursuant to a specific statute which specifies that a minimum sentence must be served before the offender becomes eligible for parole. Any forfeiture of credit pursuant to a specific statute must be applied after the credit allowed in this subsection. This subsection does not apply to an offender who has been convicted of:*

(a) Any crime that is punishable as a felony involving the use or threatened use of force or violence against the victim.

(b) A sexual offense that is punishable as a felony.

(c) A violation of NRS 484C.110, 484C.120, 484C.130 or 484C.430 that is punishable as a felony.

(d) A category A or B felony.

2. *Except as otherwise provided in this subsection, an offender who complies with the programming and placement identified in the risk and needs assessment administered pursuant to NRS 209.341, as determined by the Director, must be allowed credit against the maximum term or maximum aggregate term, as applicable, of his or her sentence for good behavior in an amount of days that is equivalent to 35 percent of the maximum term or maximum aggregate term, as applicable, of his or her sentence. Any forfeiture*

of credit pursuant to a specific statute must be applied after the credit allowed in this subsection. Credit allowed pursuant to this subsection:

(a) Must be allowed only for any period the offender is:

(1) Actually incarcerated pursuant to his or her sentence;

(2) In residential confinement; or

(3) In the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888.

(b) Is in addition to any credit allowed to reduce the sentence of the offender that is authorized pursuant to a specific statute.

3. An offender who is sentenced to prison for a crime committed before ~~January~~ July 1, 2025, may irrevocably elect to be subject to the provisions of this section. The election by an offender to be subject to the provisions of this section must not:

(a) Extend the sentence of the offender; or

(b) Otherwise reduce retroactively the amount of credit allowed to reduce the sentence of the offender under the laws of this State as those laws existed before ~~January~~ July 1, 2025, if doing so would constitute a violation under the United States Constitution or the Nevada Constitution.

4. The Director shall:

(a) Provide each offender in the custody of the Department with a list that includes:

(1) The programs identified in the risk and needs assessment administered to the offender pursuant to NRS 209.341, as determined by the Director;

(2) The programs available at the institution or facility to which the offender has been assigned; and

(3) Which of the programs described in subparagraph (1) are available at the institution or facility to which the offender has been assigned; and

(b) At the time the Department compiles and provides to the State Board of Parole Commissioners data that will assist the Board in determining whether parole should be granted to the offender pursuant to NRS 213.131, submit a report to the Board that includes:

(1) The list of programs provided to the offender pursuant to paragraph (a); and

(2) The programs provided to the offender pursuant to paragraph (a) that the offender successfully completed.

5. The Board shall adopt regulations to carry out the provisions of this section.

Sec. 2. NRS 209.432 is hereby amended to read as follows:

209.432 As used in NRS 209.432 to 209.453, inclusive, and section 1 of this act, unless the context otherwise requires:

1. "Offender" includes:

(a) A person who is convicted of a felony under the laws of this State and sentenced, ordered or otherwise assigned to serve a term of residential confinement.

(b) A person who is convicted of a felony under the laws of this State and assigned to the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888.

2. "Residential confinement" means the confinement of a person convicted of a felony to his or her place of residence under the terms and conditions established pursuant to specific statute. The term does not include any confinement ordered pursuant to NRS 176A.540, 176A.550, 176A.560, 176A.660 to 176A.690, inclusive, 213.15105, 213.15193 or 213.152 to 213.1528, inclusive.

Sec. 3. NRS 209.4465 is hereby amended to read as follows:

209.4465 1. ~~{An}~~ Unless an offender has elected to be subject to the provisions of section 1 of this act, an offender who is sentenced to prison for a crime committed on or after July 17, 1997, but before ~~(January)~~ July 1, 2025, who has no serious infraction of the regulations of the Department, the terms and conditions of his or her residential confinement or the laws of the State recorded against the offender, and who performs in a faithful, orderly and peaceable manner the duties assigned to the offender, must be allowed:

(a) For the period the offender is actually incarcerated pursuant to his or her sentence;

(b) For the period the offender is in residential confinement; and

(c) For the period the offender is in the custody of the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 209.4886 or 209.4888,

↪ a deduction of 20 days from his or her sentence for each month the offender serves.

2. In addition to the credits allowed pursuant to subsection 1, the Director may allow not more than 10 days of credit each month for an offender whose diligence in labor and study merits such credits. In addition to the credits allowed pursuant to this subsection, an offender is entitled to the following credits for educational achievement:

(a) For earning a general educational development certificate or an equivalent document, 60 days.

(b) For earning a high school diploma, 90 days.

(c) For earning his or her first associate degree, 120 days.

3. The Director may, in his or her discretion, authorize an offender to receive a maximum of 90 days of credit for each additional degree of higher education earned by the offender.

4. The Director may allow not more than 10 days of credit each month for an offender who participates in a diligent and responsible manner in a center for the purpose of making restitution, program for reentry of offenders and parolees into the community, conservation camp, program of work release or another program conducted outside of the prison. An offender who earns credit pursuant to this subsection is eligible to earn the entire 30 days of credit each month that is allowed pursuant to subsections 1 and 2.

5. The Director may allow not more than 90 days of credit each year for an offender who engages in exceptional meritorious service.

6. The Board shall adopt regulations governing the award, forfeiture and restoration of credits pursuant to this section.

7. Except as otherwise provided in subsections 8 and 9, credits earned pursuant to this section:

(a) Must be deducted from the maximum term or the maximum aggregate term imposed by the sentence, as applicable; and

(b) Apply to eligibility for parole unless the offender was sentenced pursuant to a statute which specifies a minimum sentence that must be served before a person becomes eligible for parole.

8. Credits earned pursuant to this section by an offender who has not been convicted of:

(a) Any crime that is punishable as a felony involving the use or threatened use of force or violence against the victim;

(b) A sexual offense that is punishable as a felony;

(c) A violation of NRS 484C.110, 484C.120, 484C.130 or 484C.430 that is punishable as a felony; or

(d) A category A or B felony,

↪ apply to eligibility for parole and, except as otherwise provided in subsection 9, must be deducted from the minimum term or the minimum aggregate term imposed by the sentence, as applicable, until the offender becomes eligible for parole and must be deducted from the maximum term or the maximum aggregate term imposed by the sentence, as applicable.

9. Credits deducted pursuant to subsection 8 may reduce the minimum term or the minimum aggregate term imposed by the sentence, as applicable, by not more than 58 percent for an offender who:

(a) Is serving a sentence for an offense committed on or after July 1, 2014; or

(b) On or after July 1, 2014, makes an irrevocable election to have his or her consecutive sentences aggregated pursuant to NRS 213.1212.

10. In addition to the credits allowed pursuant to this section, if the Governor determines, by executive order, that it is necessary, the Governor may authorize the deduction of not more than 5 days from a sentence for each month an offender serves. This subsection must be uniformly applied to all offenders under a sentence at the time the Governor makes such a determination.

Sec. 4. NRS 209.4475 is hereby amended to read as follows:

209.4475 1. In addition to any credits earned pursuant to NRS 209.447 ~~and section 1 of this act~~, an offender who is on parole as of January 1, 2004, or who is released on parole on or after January 1, 2004, for a term less than life must be allowed for the period the offender is actually on parole a deduction of 20 days from the offender's sentence for each month the offender serves if:

(a) The offender is current with any fee to defray the costs of his or her supervision charged by the Division of Parole and Probation of the Department of Public Safety pursuant to NRS 213.1076; and

(b) The offender is current with any payment of restitution required by the State Board of Parole Commissioners pursuant to NRS 213.126.

2. An offender shall be deemed to be current with any fee and payment of restitution described in subsection 1 for any given month if, during that month, the offender makes at least the minimum monthly payment established by:

(a) The Division of Parole and Probation of the Department of Public Safety, if any; and

(b) The State Board of Parole Commissioners, if any.

3. In addition to any credits earned pursuant to subsection 1, ~~and~~ NRS 209.447 ~~+~~ and section 1 of this act, the Director may allow not more than 10 days of credit each month for an offender:

(a) Who is on parole as of January 1, 2004, or who is released on parole on or after January 1, 2004, for a term less than life; and

(b) Whose diligence in labor or study merits such credits.

4. An offender is entitled to the deductions authorized by this section only if the offender satisfies the conditions of subsection 1 or 3, as determined by the Director. The Chief Parole and Probation Officer or other person responsible for the supervision of an offender shall report to the Director the failure of an offender to satisfy those conditions.

5. Credits earned pursuant to this section must, in addition to any credits earned pursuant to NRS 209.443, 209.446, 209.4465, 209.447, 209.448 and 209.449, and section 1 of this act, be deducted from the maximum term or the maximum aggregate term imposed by the sentence, as applicable.

6. The Director shall maintain records of the credits to which each offender is entitled pursuant to this section.

Sec. 5. NRS 209.4477 is hereby amended to read as follows:

209.4477 1. ~~An~~ Unless an offender has elected to be subject to the provisions of section 1 of this act, an offender who is serving a sentence for a crime committed before ~~January~~ July 1, 2025, and who is actually incarcerated in an institution or facility of the Department pursuant to his or her sentence during a period in which a state of emergency due to a communicable or infectious disease has been declared by the Governor and remains in effect must be allowed, in addition to the credits provided pursuant to NRS 209.433, 209.443, 209.446 or 209.4465, a deduction of 5 days from his or her sentence for each month the offender serves during the state of emergency. An offender shall not be allowed more than 60 days of credit pursuant to this section.

2. Credits earned pursuant to this section:

(a) Apply to eligibility for parole and must be deducted from the minimum term or the minimum aggregate term imposed by the sentence, as applicable, until the offender becomes eligible for parole, unless the offender was

sentenced pursuant to a statute which specifies a minimum sentence which must be served before a person becomes eligible for parole; and

(b) Must be deducted from the maximum term or the maximum aggregate term imposed by the sentence, as applicable.

3. Not later than 60 days after a state of emergency due to a communicable or infectious disease has been declared by the Governor, the Director shall submit a report containing a list of the offenders who have received credits pursuant to this section to the Chief Justice of the Nevada Supreme Court, the State Public Defender, the Attorney General, the Executive Director of the Department of Sentencing Policy and the Director of the Legislative Counsel Bureau for transmittal to the Legislature or, if the Legislature is not in session, to the Joint Interim Standing Committee on the Judiciary.

4. As used in this section:

(a) "Communicable disease" means an infectious disease that can be transmitted from person to person, animal to person or insect to person.

(b) "Infectious disease" means a disease caused by a living organism or other pathogen, including a fungus, bacillus, parasite, protozoan or virus. An infectious disease may or may not be transmissible from person to person, animal to person or insect to person.

Sec. 6. NRS 209.448 is hereby amended to read as follows:

209.448 1. An offender who has no serious infraction of the regulations of the Department or the laws of the State recorded against the offender must be allowed, in addition to the credits provided pursuant to NRS 209.433, 209.443, 209.446 or 209.4465, a deduction of not more than 60 days from the maximum term or the maximum aggregate term of the offender's sentence, as applicable, for the successful completion of a program of treatment for an alcohol or other substance use disorder which is conducted jointly by the Department and a person who is licensed as a clinical alcohol and drug counselor, licensed or certified as an alcohol and drug counselor or certified as an alcohol and drug counselor intern or a clinical alcohol and drug counselor intern, pursuant to chapter 641C of NRS.

2. ~~The~~ *Unless an offender has elected to be subject to the provisions of section 1 of this act, the provisions of this section apply to any offender who is sentenced on or after October 1, 1991* ~~for a crime committed before January 1, 2025.~~ *July 1, 2025.*

Sec. 7. NRS 209.449 is hereby amended to read as follows:

209.449 1. ~~An~~ *Unless an offender has elected to be subject to the provisions of section 1 of this act, an offender who is serving a sentence for a crime committed before January 1, 2025, and who has no serious infraction of the regulations of the Department, the terms and conditions of his or her residential confinement or the laws of the State recorded against the offender must be allowed, in addition to the credits provided pursuant to NRS 209.433, 209.443, 209.446 or 209.4465, a deduction of 60 days from the maximum term or the maximum aggregate term of the offender's sentence, as applicable, for the successful completion of:*

- (a) A program of vocational education and training; or
- (b) Any other program approved by the Director.

2. If the offender completes such a program with meritorious or exceptional achievement, the Director may allow not more than 60 days of credit in addition to the 60 days allowed for completion of the program.

Sec. 8. NRS 209.4495 is hereby amended to read as follows:

209.4495 1. Notwithstanding any provision of NRS 209.432 to 209.453, inclusive, *and section 1 of this act*, which entitles an offender to receive credit or which authorizes the Director to allow credit for an offender, an offender may not earn more than the amount of credit required to expire his or her sentence.

2. Nothing in this section shall be construed to reduce retroactively the amount of credit earned by an offender if doing so would constitute a violation under the Constitution of the United States or the Constitution of the State of Nevada.

Sec. 9. NRS 213.120 is hereby amended to read as follows:

213.120 1. Except as otherwise provided in NRS 213.1213 *or section 1 of this act* and as limited by statute for certain specified offenses, a prisoner who was sentenced to prison for a crime committed before July 1, 1995, may be paroled when the prisoner has served one-third of the definite period of time for which the prisoner has been sentenced pursuant to NRS 176.033, less any credits earned to reduce his or her sentence pursuant to chapter 209 of NRS.

2. Except as otherwise provided in NRS 213.1213 and as limited by statute for certain specified offenses, a prisoner who was sentenced to prison for a crime committed on or after July 1, 1995, may be paroled when the prisoner has served the minimum term or minimum aggregate term of imprisonment imposed by the court. Except as otherwise provided in NRS 209.4465 ~~{}~~ *and section 1 of this act*, any credits earned to reduce his or her sentence pursuant to chapter 209 of NRS while the prisoner serves the minimum term or minimum aggregate term of imprisonment may reduce only the maximum term or the maximum aggregate term of imprisonment imposed, as applicable, and must not reduce the minimum term or the minimum aggregate term of imprisonment, as applicable.

Sec. 10. NRS 213.1212 is hereby amended to read as follows:

213.1212 1. Notwithstanding any other provision of law, if a prisoner is sentenced pursuant to NRS 176.035 to serve two or more consecutive sentences, the terms of which have been aggregated:

(a) The prisoner shall be deemed to be eligible for parole from all such sentences after serving the minimum aggregate term of imprisonment; and

(b) The Board is not required to consider the prisoner for parole until the prisoner has served the minimum aggregate term of imprisonment.

2. Except as otherwise provided in subsection 3, for purposes of determining parole eligibility, a prisoner whose sentences have been aggregated may earn credit pursuant to NRS 209.433 to 209.449, inclusive, *and section 1 of this act*, which must be deducted from the minimum aggregate

term of imprisonment or the maximum aggregate term of imprisonment, as applicable. Such credits may be earned only to the extent that the credits would otherwise be earned had the sentences not been aggregated.

3. For purposes of determining parole eligibility, if the sentences of a prisoner are governed by different provisions of law concerning the earning of credits pursuant to NRS 209.433 to 209.4465, inclusive, *and section 1 of this act*, the Department of Corrections shall determine the minimum term of each sentence to be aggregated for the purpose of establishing a minimum aggregate term of imprisonment as follows:

(a) If the parole eligibility of a prisoner is based on credits earned pursuant to NRS 209.433 or 209.443, the Department of Corrections shall establish a fixed minimum term for that sentence based on the assumption that the prisoner will earn all future credits to reduce that sentence as provided in NRS 209.433 or 209.443, as applicable, except for credits earned for donating blood or for educational achievements in accordance with any regulations adopted by the Board pursuant to subsection 2 of NRS 209.433 or subsection 3 of NRS 209.443. Any such credits earned by a prisoner for donating blood or for educational achievements that are awarded after a minimum aggregate term of imprisonment is established must be applied only to the maximum aggregate term of imprisonment.

(b) If the parole eligibility of a prisoner is based on credits earned pursuant to NRS 209.446, the Department of Corrections shall establish a fixed minimum term for that sentence based on the assumption that the prisoner will earn all future credits to reduce that sentence as provided in NRS 209.446, except for credits earned for educational achievements pursuant to subsection 2 of NRS 209.446 or for meritorious service pursuant to subsection 4 of NRS 209.446. Any such credits earned for educational achievements or meritorious service that are awarded after a minimum aggregate term of imprisonment is established must be applied only to the maximum aggregate term of imprisonment.

(c) If a prisoner is eligible to earn a deduction from the minimum term of his or her sentence pursuant to subsection 8 of NRS 209.4465 ~~or~~ *or section 1 of this act*, the minimum term of the sentence to be aggregated must be the minimum term set by the court, and the provisions of subsection 9 of NRS 209.4465 *or section 1 of this act, as applicable*, must be applied to the aggregated sentence.

(d) If a prisoner is not eligible to earn a deduction from the minimum term of his or her sentence, the minimum term of the sentence to be aggregated must be the term set by the court or, if the court does not set the minimum term, the minimum term required by law.

4. A prisoner whose sentences have been aggregated pursuant to subsection 3 may earn credits to reduce the maximum aggregate term of imprisonment, as already reduced by any presentence credits stipulated in the judgment of conviction or other applicable court order, pursuant to

NRS 209.4465 or 209.4475 or section 1 of this act beginning on the date the prisoner elected to have the sentences aggregated or on the date of sentencing.

5. Except as otherwise provided in subsection 6 and subsection 3 of NRS 176.035, a prisoner who is serving consecutive sentences which have not been aggregated may, by submitting a written request to the Director of the Department of Corrections, make an irrevocable election to have the sentences aggregated. If the prisoner makes such an irrevocable election to have the sentences aggregated and:

(a) The prisoner has not been considered for parole on any of the sentences requested to be aggregated, the Department of Corrections shall aggregate the sentences in the manner set forth in this section and NRS 176.035 and the Board is not required to consider the prisoner for parole until the prisoner has served the minimum aggregate term of imprisonment.

(b) The prisoner has been considered for parole on one or more of the sentences requested to be aggregated, the Department of Corrections shall aggregate only the sentences for which parole has not been considered. The Board is not required to consider the prisoner for parole on the aggregated sentences until the prisoner has served the minimum aggregate term of imprisonment.

6. At the request of a prisoner, the Department of Corrections may disaggregate any aggregated sentences for which parole has not been considered for the purpose of aggregating such sentences with other sentences pursuant to this section or NRS 176.035.

7. Except as otherwise provided in subsection 3 of NRS 176.035, if the Department of Corrections aggregates sentences that are comprised of separate aggregated sentences, the Department of Corrections may aggregate all the consecutive sentences to create a single aggregated sentence.

8. The provisions of this section do not establish a basis for any cause of action by a prisoner against the State or its political subdivisions, agencies, boards, commissions, departments, officers or employees relating to any credits the prisoner might have earned if the sentences of the prisoner had not been aggregated.

Sec. 10.1. 1. There is hereby appropriated from the State General Fund to the Department of Corrections the sum of \$300,000 for costs associated with upgrading the information technology system of the Department that is necessary to carry out the provisions of section 1 of this act.

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. 10.3. 1. There is hereby appropriated from the State General Fund to the Department of Corrections for personnel costs to carry out the provisions of section 1 of this act the following sums:

For the Fiscal Year 2023-2024 \$53,721

For the Fiscal Year 2024-2025 \$74,198

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. 10.5. 1. Not later than December 31, 2024, the Department of Corrections shall report to the Interim Finance Committee concerning the actions taken by the Department to implement the provisions of this act, including, without limitation, the progress of the Department in programming the computer systems of the Department as necessary to carry out the provisions of this act.

2. In preparing to implement the provisions of this act, the Department of Corrections shall share information with the Office of the Attorney General concerning the actions taken by the Department to enable the Department to carry out the provisions of this act. If any information provided by the Department of Corrections to the Office of the Attorney General pursuant to this subsection is confidential or privileged, such information is confidential and privileged to the same extent that the information would be confidential and privileged if in the possession of the Department of Corrections.

Sec. 11. 1. This section ~~becomes~~ and section 10.5 of this act become effective upon passage and approval.

2. Sections 10.1 and 10.3 of this act become effective on July 1, 2023.

3. Sections 1 to 10, inclusive, of this act become effective ~~+~~
~~(a) Upon~~ 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~~ on July 1, 2025, for all other purposes.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 828 to Senate Bill No. 413, as amended, revises the effective date of the new method for determining credits to reduce the sentence of an offender from January 1, 2025, to July 1, 2025, and establishes the ability for certain offenders to opt-in to the new method prior to the July 1, 2025, effective date.

Amendment No. 828 also requires the Department of Corrections to share information with the Attorney General concerning actions taken to implement the revised method for determining credits to reduce the sentence of an offender and the Department to report to the Interim Finance

Committee concerning such actions. This amendment also makes General Fund appropriations of \$427,919 over the 2023-2025 biennium to the Department of Corrections for costs associated with upgrading the Department's information technology system and for personnel costs to carry out the provisions of this bill.

Amendment adopted.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 413, as amended, provides that certain offenders are allowed to receive credit against their minimum and maximum terms, as applicable, equivalent to 35 percent to the applicable term of the sentence of the offender based on a risk and needs assessment. This bill also requires the Director to provide each offender various lists of risk and needs assessments programs and submit to the Board of Prison Commissioners a report on offender participation and completion of programs identified in the risk and needs assessment.

Before we take a vote on this, I want to give a shout-out to Victoria Gonzalez, who worked tirelessly on figuring out how to fix what is a broken system. I think she nailed this problem on the head. Without her help, we would never know how long anyone had until their next probation date. I urge my colleagues to support this bill.

Roll call on Senate Bill No. 413:

YEAS—21.

NAYS—None.

Senate Bill No. 413 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 416.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 829.

SUMMARY—Revises provisions relating to the Department of Corrections. (BDR 16-322)

AN ACT relating to the Department of Corrections; ~~requiring the Director of the Department of Corrections to adopt regulations concerning the retrieval of the remains of an offender;~~ requiring the Director of the Department of Corrections to adopt regulations governing the operation of a commissary in an institution or facility; ~~requiring certain regulations adopted by;~~ authorizing the Director to ~~be subject to the Nevada Administrative Procedure Act;~~ adopt regulations governing the possession of personal property by offenders; revising provisions relating to the deduction of certain costs from the individual account of an offender; ~~revising provisions governing the operation of the package program;~~ revising provisions relating to the deduction of money from the wages earned by an offender; ~~revising the duties of the Director relating to the release of an offender from prison; requiring the Director to discharge certain debts upon the release of an offender from prison;~~ making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Director of the Department of Corrections to make deductions from the individual account of an offender to repay or defray certain expenses accrued by the Department on behalf of the offender. (NRS 209.221, 209.246) Existing law authorizes the Director to establish by regulation criteria for a reasonable deduction from money credited to the account of an offender to, among other things, repay the cost of medical examinations and the diagnosis or treatment for injuries inflicted by the offender upon himself or herself or other offenders or which occur during voluntary recreational activities. With certain exceptions, existing law additionally authorizes the Director to establish such criteria to defray a portion of the costs paid by the Department for the medical care of the offender, including without limitation, expenses for medical or dental care, prosthetic devices, pharmaceutical items and prescribed medicine and supplies. (NRS 209.246) Section 6 of this bill limits the ability of the Director to deduct money credited to the account of an offender by ~~authorizing~~ prohibiting the Director ~~to allow such deductions only to: (1) repay the cost of medical diagnosis or treatment for injuries which are inflicted by the offender upon other offenders and require treatment to be provided outside of the institution or facility; and (2) defray a portion of the costs paid by the Department for medical care for the offender which is provided outside of the institution or facility, including, without limitation, expenses for medical or dental care. Section 6 additionally limits the ability of the Director to establish criteria for such a deduction for providing an offender with clothing, transportation and money upon his or her release from prison by prohibiting the Director from authorizing such a deduction for an offender who has been given a sentence of death or life imprisonment without the possibility of parole. Section 6 also clarifies that the Director may not establish regulations which authorize deductions that are not expressly described in section 6 or~~ from adopting any regulations which authorize the imposition of a deduction of money for the payment of any copayment for any routine or emergency medical care received inside an institution or facility other than the infirmary. Section 5 of this bill makes a conforming change relating to the elimination of the ability of the Director to deduct money credited to the account of the offender provided to an offender, for injuries inflicted by the offender upon himself or herself. Section 5 also limits the ability of the Director to establish criteria for reasonable deductions to repay or defray the costs relating to the operation and maintenance of the offenders' store, coffee shop, gymnasium and correctional officers' salaries for visitation posts by removing the correctional officers' salaries for visitation posts from the list of costs for which the Director may authorize such deductions.

Existing law authorizes the Director to make certain deductions, including, without limitation, deductions for the maintenance of an offender in an institution, from the wages earned by an offender from any source during the incarceration of the offender. (NRS 209.463) Section 8 of this bill prohibits

the Director from authorizing such a deduction for the cost for room and board if the hourly wage of the offender is less than the federal minimum wage.

~~[Existing law authorizes and requires the Director to take certain actions upon the release of an offender who is released from prison by expiration of his or her term of sentence, by pardon or by parole. Existing law authorizes the Director to furnish such an offender with a sum of money not to exceed \$100 based on the economic need of the offender. (NRS 209.511) Section 9 of this bill instead requires the Director to furnish an offender with a sum of money to bring the balance of the offender's account in the Prisoners' Personal Property Fund to \$100 upon such release. Section 9 additionally requires the Director to give an offender the choice to receive such money in the form of a check or debit card and requires the Department to take reasonable steps to ensure that any debit card provided to an offender under such circumstances does not charge fees which are significantly more than standard market rate fees. Section 9 also requires, with certain exceptions, the Director to discharge all outstanding debt owed by an offender to the Department upon his or her release. Section 11 of this bill cancels such debt that any offender who has been released from prison by the expiration of his or her term of sentence or by pardon or by parole before October 1, 2023, owes the Department.~~

~~—Section 2 of this bill requires the Director, with the approval of the Board of State Prison Commissioners, to adopt regulations concerning the retrieval of the remains of an offender which establish the requirements and standards of eligibility for financial assistance to indigent relatives of the offender and prohibit the Department from authorizing the imposition of any cost to the offender or any relative of the offender if the relative of the offender is considered indigent. Section 2 also requires that such regulations be adopted in accordance with the Nevada Administrative Procedure Act. Section 10 of this bill makes a conforming change relating to the requirement that such regulations be subject to the Act.~~

~~—Existing law requires the Director to establish and maintain a package program for offenders. (NRS 209.249) Section 7 of this bill prohibits the Director from authorizing the adoption of any policy which allows: (1) the receipt of a kickback or commission which is 5 percent or more on packages sold through the program; or (2) any monetary limitation on the ability of an offender to receive or purchase goods or services from the program.]~~

Section 3 of this bill requires the Director, with the approval of the Board ~~of~~ of State Prison Commissioners, to adopt regulations to be instituted in each institution or facility governing the operation of a commissary in the institution or facility and prohibits the Director from adopting regulations which: (1) place a monetary limitation on the ability of an offender to receive or purchase goods or services from the commissary; or (2) authorize the markup of the price of ~~[an item or service]~~ a personal hygiene product sold at the commissary ~~by~~ by 5 percent or more of the cost to the Department for the acquisition of the item or provision of the service. Sections 3 and 7 additionally prohibit the Department from entering into an exclusive contract for the purpose of

supplying the commissary or carrying out the package program and require the Department to contract with two or more entities for such purposes.

~~Existing law creates the Prisoners' Personal Property Fund as a trust fund. Existing law requires the Director and offenders to deposit all money that the offender receives during his or her incarceration in his or her individual account in the Prisoners' Personal Property Fund. (NRS 209.241) Existing law also authorizes certain deposits in the savings account of an offender to be used for the payment of expenses of the offender related to the release or funeral of the offender. (NRS 209.247, 209.463) Section 4 of this bill requires the Department to maintain any account or trust fund which is controlled by the Department and contains money earned or received by an offender during his or her time in the custody of the Department, including the Prisoners' Personal Property Fund and any savings account, in an insured bank, credit union, savings and loan association or savings bank doing business in this State.~~

Section 2.5 of this bill authorizes the Director, with the approval of the Board, to adopt regulations to be instituted in each institution or facility governing the possession of personal property by offenders. Section 2.5 provides that any such regulations must be consistent with the provisions of section 3.

Section 11.5 of this bill makes an appropriation to the Department to offset reductions in revenue associated with the implementation of the provisions of this bill.

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

Section 1. Chapter 209 of NRS is hereby amended by adding thereto the provisions set forth as sections ~~2, 3 and 4~~ to 4, inclusive, of this act.

Sec. 2. ~~1. The Director shall, with the approval of the Board, adopt regulations concerning the retrieval of the remains of an offender. Such regulations must:~~

~~(a) Establish the requirements and standards of eligibility for financial assistance to indigent relatives of an offender; and~~

~~(b) Prohibit the Department from authorizing the imposition of any cost to the offender or any relative of the offender if the relative is considered indigent.~~

~~2. The regulations adopted pursuant to subsection 1 must be adopted in accordance with the provisions of chapter 233B of NRS.~~ (Deleted by amendment.)

Sec. 2.5. 1. The Director may, with the approval of the Board, adopt regulations to be instituted in each institution or facility which govern the possession of personal property by offenders. Such regulations may place limitations on the amount of personal property an offender may, at any one time, possess.

2. Any regulations adopted by the Director pursuant to subsection 1 must be consistent with the provisions of subsection 2 of section 3 of this act.

3. As used in this section, "personal property" includes, without limitation, goods purchased from a commissary.

Sec. 3. 1. The Director shall, with the approval of the Board, adopt regulations to be instituted in each institution or facility which govern the operation of a commissary in the institution or facility.

2. The Director shall not adopt regulations which:

(a) Place a monetary limitation on the ability of an offender to receive or purchase goods or services from the commissary.

(b) Authorize the markup of the price of ~~an item or service~~ a personal hygiene product sold at the commissary, ~~by 5 percent or more of the cost to the Department for the acquisition of the item or provision of service.~~

~~2. The Department shall not enter into any exclusive contract for the purpose of supplying the commissary. The Department shall contract with two or more entities for the purpose of supplying the commissary.~~

Sec. 4. ~~[Any account or trust fund which is controlled by the Department and contains money earned or received by an offender during his or her time in the custody of the Department, including, without limitation, the Prisoners' Personal Property Fund and any savings account, must be maintained in an insured bank, credit union, savings and loan association or savings bank doing business in this State.] (Deleted by amendment.)~~

Sec. 5. ~~[NRS 209.221 is hereby amended to read as follows:~~

~~209.221 1. The Offenders' Store Fund is hereby created as a special revenue fund. All money received for the benefit of offenders through contributions, and from other sources not otherwise required to be deposited in another fund, must be deposited in the Offenders' Store Fund.~~

~~2. The Director shall:~~

~~(a) Keep, or cause to be kept, a full and accurate account of the Fund;~~

~~(b) Submit reports to the Board relative to money in the Fund as may be required from time to time; and~~

~~(c) Submit a monthly report to the offenders of the amount of money in the Fund by posting copies of the report at locations accessible to offenders generally or by delivery of copies to the appropriate representatives of the offenders if any are selected.~~

~~3. Except as otherwise provided in subsections 4 to 10, inclusive, money in the Offenders' Store Fund, except interest earned upon it, must be expended for the welfare and benefit of all offenders or for any other purpose authorized by the Legislature.~~

~~4. If necessary to cover a shortfall of money in the Prisoners' Personal Property Fund, the Director may, after obtaining the approval of the Interim Finance Committee, authorize the State Controller to transfer money from the Offenders' Store Fund to the Prisoners' Personal Property Fund, and the State Controller shall make the transfer.~~

~~5. If an offender has insufficient money in his or her individual account in the Prisoners' Personal Property Fund to repay or defray costs assessed to the offender pursuant to NRS 209.246, the Director shall authorize the State~~

~~Controller to transfer sufficient money from the Offenders' Store Fund to the appropriate account in the State General Fund to pay costs remaining unpaid, and the State Controller shall make the transfer. Any money so transferred must be accounted for separately. The Director shall cause the Offenders' Store Fund to be reimbursed from the offender's individual account in the Prisoners' Personal Property Fund, as money becomes available.~~

~~6. If the Department incurs costs related to state property that has been willfully damaged, destroyed or lost or incurs costs related to medical examination, diagnosis or treatment for an injury [to an] that an offender inflicted upon another offender, the Director may authorize the State Controller to transfer money from the Offenders' Store Fund to the appropriate account in the State General Fund to repay or defray those costs if:~~

~~(a) The Director has reason to believe that an offender caused the damage, destruction, loss or injury; and~~

~~(b) The identity of the offender is unknown or cannot be determined by the Director with reasonable certainty.~~

~~→ The State Controller shall make the transfer if authorized by the Director. Any money transferred must be accounted for separately. If the identity of the offender is determined after money has been transferred, the Director shall cause the Offenders' Store Fund to be reimbursed from the offender's individual account in the Prisoners' Personal Property Fund, as money becomes available.~~

~~7. The Director may, with approval of the Board, establish by regulation criteria for a reasonable deduction from money credited to the Offenders' Store Fund to repay or defray the costs relating to the operation and maintenance of the offenders' store, coffee shop [,] and gymnasium. [and correctional officers' salaries for visitation posts where they exist in each facility.] Any regulations adopted pursuant to this subsection must be adopted in accordance with the provisions of chapter 233B of NRS.~~

~~8. The Director may, with approval of the Board, establish by regulation a charge on the purchase of electronic devices by offenders to defray the costs relating to the operation of the devices. The Director shall utilize the proceeds collected from the charge established for operation of the devices to offset the energy costs of the facilities within the Department. Any regulations adopted pursuant to this subsection must be adopted in accordance with the provisions of chapter 233B of NRS.~~

~~9. The Director may, with approval of the Board, establish by regulation a charge on the use by offenders of videoconferencing equipment for conducting visits to defray the costs relating to the operation and maintenance of the equipment. The Director shall utilize the proceeds collected from the charge established for the operation and maintenance of the equipment to offset the costs of operating and maintaining the videoconferencing equipment and correctional officers' salaries for posts for conducting visits by videoconference where the posts exist in each facility.~~

~~10. If an offender who has been assigned to a center for the purpose of making restitution is returned to an institution for committing an infraction of the regulations of the Department and the center has not been fully compensated for the cost of providing the offender with housing, transportation, meals, or medical or dental services at the center, the Director may authorize the State Controller to transfer money from the Offenders' Store Fund to the appropriate account in the State General Fund to repay or defray those costs. The State Controller shall make the transfer if authorized by the Director. Any money transferred must be accounted for separately. The Director shall cause the Offenders' Store Fund to be reimbursed from the offender's individual account in the Prisoners' Personal Property Fund, as money becomes available.~~

~~11. If an offender has insufficient money in his or her individual account in the Prisoners' Personal Property Fund to repay or defray costs assessed to the offender pursuant to NRS 209.246, the offender shall sign a statement under penalty of perjury concerning his or her financial situation. Such a statement must include, but is not limited to, the following information:~~

- ~~(a) The value of any interest the offender has in real estate;~~
- ~~(b) The value of the personal property of the offender;~~
- ~~(c) The assets in any bank account of the offender; and~~
- ~~(d) The employment status of the offender.~~

~~12. The statement required by subsection 11 must also authorize the Department to access any relevant document, for the purpose of verifying the accuracy of the information provided by the offender pursuant to this section, including, but not limited to, information regarding any bank account of the offender, information regarding any bank account held in trust for the offender and any federal income tax return, report or withholding form of the offender.~~

~~13. An offender who conceals assets from the Department or provides false or misleading information on a statement prepared pursuant to this section is guilty of a gross misdemeanor.~~

~~14. A person who aids or encourages an offender to conceal assets from the Department or to provide false or misleading information on a statement prepared pursuant to this section is guilty of a gross misdemeanor. (Deleted by amendment.)~~

Sec. 6. NRS 209.246 is hereby amended to read as follows:

209.246 [The]

1. *Except as otherwise provided in this section, ~~f, the~~* Director shall, with the approval of the Board, establish by regulation criteria for a reasonable deduction from money credited to the account of an offender to:

~~{1.}~~ (a) Repay the cost of:

~~{(a)}~~ (1) State property willfully damaged, destroyed or lost by the offender during his or her incarceration.

~~{(b)}~~ (2) Medical examination, diagnosis or treatment for injuries :

~~{(1)}~~ (1) Inflicted ~~that are inflicted~~ by the offender upon himself or herself or other offenders : or

~~{(2)}~~ (II) Which occur during voluntary recreational activities.

~~{(c)} and require that treatment be provided outside of the institution or facility pursuant to NRS 209.331.~~

(3) Searching for and apprehending the offender when he or she escapes or attempts to escape.

~~{(d)}~~ (4) Quelling any riot or other disturbance in which the offender is unlawfully involved.

~~{(e)}~~ (5) Providing a funeral for an offender.

~~{(f)}~~ (6) Providing an offender with clothing, transportation and money upon his or her release from prison pursuant to NRS 209.511 ~~_, unless the offender has been given a sentence of death or life imprisonment without the possibility of parole.~~

~~{(g)}~~ (7) Transportation of an offender pursuant to a court order in cases other than a criminal prosecution, a proceeding for postconviction relief involving the offender or a proceeding in which the offender has challenged the conditions of his or her confinement.

~~{(h)}~~ (8) Monetary sanctions imposed under the code of penal discipline adopted by the Department.

~~{2}~~ (b) Defray, as determined by the Director, a portion of the costs paid by the Department for medical care for the offender ~~_, which is provided outside of the institution or facility pursuant to NRS 209.331,~~ including, but not limited to ~~{}:~~

~~{(a)}~~ (1) Except as otherwise provided in subparagraph (2) of paragraph ~~{(b)}~~ of subsection 1, (a) and subsection 2, expenses for medical or dental care ~~{} ,~~ prosthetic devices and pharmaceutical items; and

~~{(b)}~~ (2) Expenses for prescribed medicine and supplies.

~~{3}~~ (c) Repay the costs incurred by the Department on behalf of the offender for:

~~{(a)}~~ (1) Postage for personal items and items related to litigation;

~~{(b)}~~ (2) Photocopying of personal documents and legal documents, for which the offender must be charged a reasonable fee not to exceed the actual costs incurred by the Department;

~~{(c)}~~ (3) Legal supplies;

~~{(d)}~~ (4) Telephone calls charged to the Department;

~~{(e)}~~ (5) Charges relating to checks returned for insufficient funds and checks for which an order to stop payment has been made;

~~{(f)}~~ (6) Items related to the offender's work, including, but not limited to, clothing, shoes, boots, tools, a driver's license or identification card issued by the Department of Motor Vehicles, a work card issued by a law enforcement agency and a health card; and

~~{(g)}~~ (7) The replacement of an identification card or prepaid ticket for bus transportation issued to the offender by the Department.

~~{4}~~ (d) Repay any cost to the State of Nevada or any agency or political subdivision thereof that is incurred in defending the State against an action

filed by an offender in federal court alleging a violation of his or her civil rights which is determined by the court to be frivolous.

~~{ }~~

~~2. The Director shall not adopt any regulations which authorize a deduction from money credited to the account of an offender ~~to repay or defray~~ for the ~~cost~~ payment of any copayment for any routine or emergency medical care ~~for~~ provided to an offender, ~~that is not expressly authorized pursuant to paragraph (a) or (b) of subsection 1.~~~~

~~3. Nothing in this section shall be construed to authorize a deduction from money credited to the account of an offender to repay or defray the cost of any medical care which is provided in an institution or facility, including, without limitation, treatment which is provided:~~

~~(a) Outside of the normal operating hours of the infirmary; or~~

~~(b) At a location inside the institution or facility other than the infirmary.~~

~~4. 3. All money collected pursuant to this section must be deposited in the appropriate account in the State General Fund for reimbursement of the related expenditure.~~

Sec. 7. ~~[NRS 209.249 is hereby amended to read as follows:~~

~~209.249 1. Except as otherwise provided in subsections 2 and 3, the Director shall establish and maintain a package program for offenders.~~

~~2. The Director may prohibit an offender from participating in the package program if the offender is in:~~

~~(a) Disciplinary segregation; or~~

~~(b) Administrative segregation and the prohibition is necessary to ensure the safety of other offenders in administrative segregation.~~

~~3. The Medical Director may prohibit an offender from participating in the package program if:~~

~~(a) The offender is receiving medical care from the Medical Director; and~~

~~(b) The prohibition is necessary to ensure the health of the offender.~~

~~4. The contents of a package received by an offender participating in the package program are not subject to any deduction described in NRS 209.247.~~

~~5. In carrying out the duties prescribed in subsection 1, the Director may not authorize the adoption of any policy which allows:~~

~~(a) The receipt of a kickback or commission which is 5 percent or more on packages sold through the package program;~~

~~(b) Any monetary limitation on the ability of an offender to receive or purchase goods or services from the package program.~~

~~6. The Department shall not enter into an exclusive contract for the purpose of carrying out the package program. The Department shall contract with two or more entities to carry out the purposes of the package program.~~

~~7. As used in this section:~~

~~(a) "Administrative segregation" means the separation of an offender from the general population which is imposed by classification when the continued presence of the offender in the general population or protective segregation~~

~~would pose a serious threat to life, property, self, staff, other offenders or to the security or orderly operation of the facility or institution.~~

~~(b) "Disciplinary segregation" means the separation of an offender from the general population for a specified period when an offender has committed a serious violation of the rules of a facility or an institution.~~

~~(c) "General population" means the status of offenders who are incarcerated and do not have a special status.~~

~~(d) "Package program" means a program which authorizes an offender to order at least one clothing package and one food package, respectively, per quarter.~~

~~(e) "Protective segregation" means the separation of an offender from the general population when the offender requests or requires protection from other offenders for reasons relating to health or safety.] (Deleted by amendment.)~~

Sec. 8. NRS 209.463 is hereby amended to read as follows:

209.463 1. Except as otherwise provided in NRS 209.2475, and subject to the limitation set forth in subsection 2, the Director may make the deductions described in subsection 3 or 4, as applicable, from the wages earned by an offender from any source during the offender's incarceration.

2. The Director may not deduct more than 50 percent of the wages described in subsection 1 for each pay period of the offender.

3. If the hourly wage of the offender is equal to or greater than the federal minimum wage, the Director may deduct:

(a) In the following order of priority:

(1) An amount the Director considers reasonable to meet an existing obligation of the offender for restitution to a victim of his or her crime;

(2) An amount the Director considers reasonable to meet an existing obligation of the offender for the support of his or her family;

(3) An amount determined by the Director, with the approval of the Board, for deposit in the State Treasury for credit to the Fund for New Construction of Facilities for Prison Industries, but only if the offender is employed through a program for prison industries;

(4) An amount determined by the Director, with the approval of the Board, to offset the cost of maintaining the offender in the institution, as reflected in the budget of the Department, and any amount deducted pursuant to this subparagraph may include, but is not limited to, an amount to offset the cost of participation by the offender pursuant to NRS 209.4231 to 209.4244, inclusive, in a program of treatment for offenders with substance use or co-occurring disorders or a program of aftercare, or both;

(5) A deduction pursuant to NRS 209.246;

(6) An amount determined by the Director for deposit in the individual account of the offender in the Prisoners' Personal Property Fund;

(7) An amount determined by the Director for deposit in a savings account for the offender, in which interest on the money deposited does not accrue, to be used for the payment of the expenses of the offender related to

his or her release or, if the offender dies before his or her release, to defray expenses related to arrangements for his or her funeral;

(8) An amount the Director considers reasonable for deposit with the State Treasurer for credit to the Fund for the Compensation of Victims of Crime;

(9) An amount the Director considers reasonable to pay the balance of any fee imposed upon the offender for genetic marker analysis and included in the judgment entered against the offender pursuant to NRS 176.0915;

(10) An amount the Director considers reasonable to pay the balance of an administrative assessment included in the judgment entered against the offender for each crime for which the offender is incarcerated and the balance of an unpaid administrative assessment included in a judgment entered against the offender for a crime committed in this state for which the offender was previously convicted, and any amount deducted from the wages of the offender pursuant to this subparagraph must be submitted:

(I) If the offender does not have an administrative assessment owing from a judgment entered for a crime previously committed in this state, to the court that entered the judgment against the offender for which the offender is incarcerated; or

(II) If the offender has an administrative assessment owing from a judgment entered for a crime previously committed in this state, to the court that first entered a judgment for which an administrative assessment is owing, until the balance owing has been paid; and

(11) An amount the Director considers reasonable to pay the balance of a fine included in the judgment entered against the offender for each crime for which the offender is incarcerated and the balance of an unpaid fine included in a judgment entered against the offender for a crime committed in this state for which the offender was previously convicted, and any amount deducted from the wages of the offender pursuant to this subparagraph must be submitted:

(I) If the offender does not have a fine owing from a judgment entered for a crime previously committed in this state, to the court that entered the judgment against the offender for which the offender is incarcerated; or

(II) If the offender has a fine owing from a judgment entered for a crime previously committed in this state, to the court that first entered a judgment for which a fine or administrative assessment is owing, until the balance owing has been paid; and

(b) Any other deduction authorized by law from the wages earned by the offender from any source during the offender's incarceration, the deduction of which must be made in an order of priority determined by the Director.

4. If the hourly wage of the offender is less than the federal minimum wage, the Director may deduct:

(a) In the following order of priority:

(1) An amount the Director considers reasonable to meet an existing obligation of the offender for restitution to a victim of his or her crime;

(2) An amount determined by the Director, with the approval of the Board, for deposit in the State Treasury for credit to the Fund for New Construction of Facilities for Prison Industries, but only if the offender is employed through a program for prison industries;

(3) An amount determined by the Director, with the approval of the Board, to offset the cost of maintaining the offender in the institution, *other than the cost for room and board*, as reflected in the budget of the Department, and any amount deducted pursuant to this subparagraph may include, but is not limited to, an amount to offset the cost of participation by the offender pursuant to NRS 209.4231 to 209.4244, inclusive, in a program of treatment for offenders with substance use or co-occurring disorders or a program of aftercare, or both;

(4) A deduction pursuant to NRS 209.246;

(5) An amount determined by the Director for deposit in the individual account of the offender in the Prisoners' Personal Property Fund;

(6) An amount determined by the Director for deposit in a savings account for the offender, in which interest on the money deposited does not accrue, to be used for the payment of the expenses of the offender related to the offender's release or, if the offender dies before the offender's release, to defray expenses related to arrangements for the offender's funeral;

(7) An amount the Director deems reasonable for deposit with the State Treasurer for credit to the Fund for the Compensation of Victims of Crime; and

(8) An amount the Director considers reasonable to pay the balance of any fee imposed upon the offender for genetic marker analysis and included in the judgment entered against the offender pursuant to NRS 176.0915; and

(b) Any other deduction authorized by law from the wages earned by the offender from any source during the offender's incarceration, the deduction of which must be made in an order of priority determined by the Director.

Sec. 9. ~~NRS 209.511 is hereby amended to read as follows:~~

~~209.511 1. Before an offender is released from prison by expiration of his or her term of sentence, by pardon or parole, the Director may provide mediation services to the offender and the family members and friends of the offender who provide emotional, psychological and financial support to the offender.~~

~~2. As soon as practicable after an offender is authorized to apply for enrollment in Medicaid pursuant to NRS 422.27487, the Director shall complete the paperwork for the application if the offender may be eligible for Medicaid upon release.~~

~~3. Not later than 3 months before an offender is projected to be released from prison by expiration of his or her term of sentence, by pardon or parole, the Director may, if space is available, provide an eligible offender with one or more evidence-based or promising practice reentry programs to obtain employment, including, without limitation, any programs which may provide~~

~~bonding for an offender entering the workplace and any organizations which may provide employment or bonding assistance to such a person.~~

~~4. When an offender is released from prison by expiration of his or her term of sentence, by pardon or by parole, the Director:~~

~~(a) [May] If an offender does not have more than \$100 in his or her individual account in the Prisoners' Personal Property Fund after all deductions authorized pursuant to this chapter have been assessed, shall furnish the offender with a sum of money [not to exceed] to bring the balance of the account of the offender to \$100 ; [, the amount to be based upon the offender's economic need as determined by the Director;]~~

~~(b) Shall give the offender notice of the provisions of chapter 179C of NRS and NRS 202.357 and 202.360;~~

~~(c) Shall require the offender to sign an acknowledgment of the notice required in paragraph (b);~~

~~(d) Shall give the offender notice of the provisions of NRS 179.245 and the provisions of NRS 213.090, 213.155 or 213.157, as applicable;~~

~~(e) Shall provide the offender with a photo identification card issued by the Department and information and reasonable assistance relating to acquiring a valid driver's license or identification card to enable the offender to obtain employment, if the offender:~~

~~——(1) Requests a photo identification card;~~

~~——(2) Requests such information and assistance and is eligible to acquire a valid driver's license or identification card from the Department of Motor Vehicles; or~~

~~——(3) Is not currently in possession of a photo identification card;~~

~~(f) Shall provide the offender with clothing suitable for reentering society;~~

~~(g) Shall provide the offender with the cost of transportation to his or her place of residence anywhere within the continental United States, or to the place of his or her conviction;~~

~~(h) If appropriate, shall release the offender to a facility for transitional living for released offenders that is licensed pursuant to chapter 449 of NRS;~~

~~(i) Shall require the offender to submit to at least one test for exposure to the human immunodeficiency virus;~~

~~(j) If the offender is eligible for Medicare, shall complete enrollment application paperwork for the offender; [and]~~

~~(k) If the offender was receiving a prescribed medication while in custody, shall ensure that the offender is provided with a 30 day supply of any such prescribed medication [.] ; and~~

~~(l) Shall discharge all outstanding debt owed by the offender to the Department pursuant to this chapter, unless such money is owed by the offender to the Department pursuant to subparagraphs 1, 3 or 4 of paragraph (a) of subsection 1 of NRS 209.246.~~

~~5. The Director shall not provide an offender with a photo identification card pursuant to paragraph (e) of subsection 4 unless the photo identification card clearly indicates whether the Director:~~

~~— (a) Has verified the full legal name and age of the offender by obtaining an original or certified copy of the documents required by the Department of Motor Vehicles pursuant to NRS 483.200 or 483.860, as applicable, furnished as proof of the full legal name and age of an applicant for a driver's license or identification card; or~~

~~— (b) Has not verified the full legal name and age of the offender pursuant to paragraph (a).~~

~~— 6. The costs authorized or required in paragraphs (a), (c), (f), (g), (i) and (k) of subsection 4 must be paid out of the appropriate account within the State General Fund for the use of the Department as other claims against the State are paid to the extent that the costs have not been paid in accordance with subsection 5 of NRS 209.221 and NRS 209.246.~~

~~— 7. The Director is encouraged to work with the Nevada Community Re-Entry Task Force established by the Governor pursuant to executive order, or its successor body, if any, to align statewide strategies for the reentry of offenders into the community and the implementation of those strategies.~~

~~— 8. The Director shall provide an offender with the choice to receive the money provided to the offender pursuant to paragraph (a) of subsection 4 or paragraph (c) of subsection 3 of NRS 209.241 in the form of a check or debit card. The Department shall take reasonable steps to ensure that any debit card provided to an offender does not charge fees which are significantly more than standard market rate fees.~~

~~— 9. Nothing in this section shall be construed to affect the existing obligation of an offender to pay restitution to a victim of his or her crime.~~

~~— 10. As used in this section:~~

~~— (a) "Eligible offender" means an offender who is:~~

~~— (1) Determined to be eligible for reentry programming based on the Nevada Risk Assessment System instrument, or its successor risk assessment tool; and~~

~~— (2) Enrolled in:~~

~~— (I) Programming services under a reentry program at a correctional facility which has staff designated to provide the services; or~~

~~— (II) A community based program to assist offenders to reenter the community.~~

~~— (b) "Facility for transitional living for released offenders" has the meaning ascribed to it in NRS 449.0055.~~

~~— (c) "Photo identification card" means a document which includes the name, date of birth and a color picture of the offender.~~

~~— (d) "Promising practice reentry program" means a reentry program that has strong quantitative and qualitative data showing positive outcomes, but does not have sufficient research or replication to support recognition as an evidence-based practice. (Deleted by amendment.)~~

Sec. 10. ~~[NRS 233B.039 is hereby amended to read as follows:~~

~~— 233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:~~

- ~~—(a) The Governor;~~
- ~~—(b) Except as otherwise provided in NRS 209.221 and 209.2473, and section 2 of this act, the Department of Corrections;~~
- ~~—(c) The Nevada System of Higher Education;~~
- ~~—(d) The Office of the Military;~~
- ~~—(e) The Nevada Gaming Control Board;~~
- ~~—(f) Except as otherwise provided in NRS 368A.140 and 463.765, the Nevada Gaming Commission;~~
- ~~—(g) Except as otherwise provided in NRS 425.620, the Division of Welfare and Supportive Services of the Department of Health and Human Services;~~
- ~~—(h) Except as otherwise provided in NRS 422.390, the Division of Health Care Financing and Policy of the Department of Health and Human Services;~~
- ~~—(i) Except as otherwise provided in NRS 533.365, the Office of the State Engineer;~~
- ~~—(j) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.375;~~
- ~~—(k) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260;~~
- ~~—(l) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310;~~
- ~~—(m) The Silver State Health Insurance Exchange;~~
- ~~—(n) The Cannabis Compliance Board;~~
- ~~2. Except as otherwise provided in subsection 5 and NRS 391.323, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case;~~
- ~~3. The special provisions of:~~
 - ~~—(a) Chapter 612 of NRS for the adoption of an emergency regulation or the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;~~
 - ~~—(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;~~
 - ~~—(c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and~~
 - ~~—(d) NRS 90.800 for the use of summary orders in contested cases, prevail over the general provisions of this chapter;~~
- ~~4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies;~~

- ~~5. The provisions of this chapter do not apply to:~~
- ~~(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;~~
 - ~~(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;~~
 - ~~(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694;~~
 - ~~(d) The judicial review of decisions of the Public Utilities Commission of Nevada;~~
 - ~~(e) The adoption, amendment or repeal of policies by the Rehabilitation Division of the Department of Employment, Training and Rehabilitation pursuant to NRS 426.561 or 615.178;~~
 - ~~(f) The adoption or amendment of a rule or regulation to be included in the State Plan for Services for Victims of Crime by the Department of Health and Human Services pursuant to NRS 217.130;~~
 - ~~(g) The adoption, amendment or repeal of rules governing the conduct of contests and exhibitions of unarmed combat by the Nevada Athletic Commission pursuant to NRS 467.075;~~
 - ~~(h) The adoption, amendment or repeal of regulations by the Director of the Department of Health and Human Services pursuant to NRS 447.335 to 447.350, inclusive;~~
 - ~~(i) The adoption, amendment or repeal of standards of content and performance for courses of study in public schools by the Council to Establish Academic Standards for Public Schools and the State Board of Education pursuant to NRS 389.520;~~
 - ~~(j) The adoption, amendment or repeal of the statewide plan to allocate money from the Fund for a Resilient Nevada created by NRS 433.732 established by the Department of Health and Human Services pursuant to paragraph (b) of subsection 1 of NRS 433.734; or~~
 - ~~(k) The adoption or amendment of a data request by the Commissioner of Insurance pursuant to NRS 687B.404.~~
- ~~6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case. (Deleted by amendment.)~~

~~Sec. 11. [The Department of Corrections shall cancel any outstanding debt owed by an offender who has been released from prison before October 1, 2023, by expiration of his or her term of sentence, by pardon or by parole unless such money is owed by the offender to the Department pursuant to subparagraph 1, 3 or 4 of paragraph (a) of subsection 1 of NRS 209.246, as amended by section 6 of this act. Nothing in this section shall be construed to~~

~~affect the obligation of the offender to pay restitution to a victim of his or her crime.~~ (Deleted by amendment.)

Sec. 11.5. 1. There is hereby appropriated from the State General Fund to the Department of Corrections to offset reductions in revenue associated with the implementation of the provisions of this act the following sums:

For the Fiscal Year 2023-2024\$1,308,472

For the Fiscal Year 2024-2025\$1,308,472

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

2. Section 11.5 of this act becomes effective on July 1, 2023.

3. Sections 1 to 11, inclusive, of this act become effective ~~f~~

~~(a) Upon~~ 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~~ and

~~(b) On~~ on October 1, 2023, for all other purposes.

Senator Dondero Loop moved the adoption of the amendment.

Remarks by Senator Dondero Loop.

Amendment No. 829 to Senate Bill No. 416 makes various changes to the operations of the Department of Corrections, including the markup percentage for packages sold through the commissary.

Additionally, Amendment No. 829 authorizes the Director to adopt regulations governing the possession of personal property by offenders and makes a General Fund appropriation of \$2,616,944 over the 2023-2025 biennium to the Department of Corrections to offset reductions in revenue associated with the implementation of the provisions of Senate Bill No. 416.

Amendment adopted.

Bill read third time.

Remarks by Senators Scheible and Nguyen.

SENATOR SCHEIBLE:

Senate Bill No. 416, as amended, prohibits the Director of the Nevada Department of Corrections from adopting any regulations which authorize the imposition of a deduction for the copayment of any routine or emergency medical care provided to an offender and prohibits the Director from authorizing a deduction from an offender's wage for the cost for room and board if the hourly wage of the offender is less than the federal minimum wage. In other words, it eliminates room and board fees.

This bill also restricts the Director from adopting any regulations which place a monetary limitation on the ability of an offender to receive or purchase goods or services from the commissary and that authorize the markup of the price of a personal hygiene product sold at the commissary. Additionally, this bill authorizes the Director, with the approval of the Board of State

Prison Commissioners, to adopt regulations governing the possession of personal property by offenders and makes a General Fund appropriation of \$2,616,944 over the 2023-2025 biennium to the Department of Corrections to offset reductions in revenue associated with the implementation of the provisions of Senate Bill No. 416.

SENATOR NGUYEN:

I support Senate Bill No. 416. One point I want to highlight in this bill is one that just makes sense. It makes sense for rehabilitation. It makes common sense. We have a system that if you are incarcerated in one of our prisons and you are working, trying to better yourself and trying to learn skills, you are charged room and board. That comes out of the minimal salary that you earn. Sometimes when it comes to you, it is less than 50 cents an hour. This bill takes that and makes it a situation where if you have a job, you no longer must pay room and board. Why this is important is if you choose to not get a job, you do not do anything while you are incarcerated, you do not have to pay room and board. We are penalizing people who choose to work and better themselves while they are incarcerated. That is why I support this bill.

Roll call on Senate Bill No. 416:

YEAS—18.

NAYS—Buck, Stone, Titus—3.

Senate Bill No. 416 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 435.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 830.

SUMMARY—Revises provisions relating to Medicaid. (BDR 38-1069)

AN ACT relating to Medicaid; requiring the provision of certain information to the operator of a hospital or rural hospital concerning the use of revenue generated by certain proposed assessments; prohibiting the continued imposition of such an assessment under certain circumstances; revising the authorized uses of the revenue generated from an assessment authorized to be imposed on operators of certain agencies and facilities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Division of Health Care Financing and Policy of the Department of Health and Human Services to impose an assessment on each operator of an agency to provide personal care services in the home and each operator of a medical facility that is required to obtain a license if, after polling the operators, at least 67 percent of those operators vote in favor of the assessment. (NRS 422.3794) Existing law authorizes the expenditure of the money generated from such an assessment only to: (1) provide supplemental payments or enhanced rates of reimbursement under Medicaid to operators upon whom the assessment is imposed; and (2) administer provisions of law governing such assessments. (NRS 422.37945) Section 2 of this bill authorizes the money to also be used to provide supplemental payments or enhanced rates of reimbursement to operators that are not subject to the assessment if such expenditure was identified as a potential use of the assessment in the polling

of operators which received an affirmative vote from at least 67 percent of the operators on whom the assessment was to be imposed. Section 2 additionally authorizes the Division to use money generated from an assessment imposed on private hospitals or rural hospitals to provide additional supports and services under Medicaid for recipients of Medicaid with serious behavioral health conditions. Section 2 provides that not more than 15 percent of the total amount of money generated each year by such an assessment may be used for administrative costs and to fund such supports and services. Section 1.8 of this bill requires the Division to provide each operator of a hospital or rural hospital who is polled concerning the imposition of such an assessment of the amount of the assessment that will be used for those purposes. Section 1.8 also prohibits the continued imposition of such an assessment where state or federal law or regulations prohibit or alter the authorized uses of the revenue generated by the assessment. Sections 1.2 and 1.4 of this bill define the terms "hospital" and "rural hospital," respectively. Section 1.6 of this bill makes conforming changes to indicate the proper placement of sections 1.2 and 1.4 in the Nevada Revised Statutes.

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

Section 1. Chapter 422 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.2 and 1.4 of this act.

Sec. 1.2. *"Hospital" has the meaning ascribed to it in NRS 449.012.*

Sec. 1.4. *"Rural hospital" has the meaning ascribed to it in NRS 449.0177.*

Sec. 1.6. NRS 422.3791 is hereby amended to read as follows:

422.3791 As used in NRS 422.3791 to 422.3795, inclusive, *and section 1.2 and 1.4 of this act*, unless the context otherwise requires, the words and terms defined in NRS 422.37915 to 422.37935, inclusive, *and sections 1.2 and 1.4 of this act* have the meanings ascribed to them in those sections.

Sec. 1.8. NRS 422.3794 is hereby amended to read as follows:

422.3794 1. Except as otherwise provided in this section, after polling the operators in an operator group and receiving an affirmative vote from at least 67 percent of the operators in that operator group, the Division may impose by regulation, against each operator in the operator group, an assessment in an amount equal to a percentage of the net revenue generated by the agency to provide personal care services in the home or medical facility, as applicable, from providing care in this State during a calendar or fiscal year. The Division shall adopt:

(a) Regulations prescribing the percentage that must be used to calculate the amount of the assessment, the date on which the assessment is due and the manner in which the assessment must be paid; and

(b) Any other regulations necessary or convenient to carry out the provisions of this section.

2. *Before polling the operator of a hospital or a rural hospital pursuant to subsection 1, the Division shall provide the operator a statement of the amount*

of the revenue generated by the proposed assessment that will be used for the purposes prescribed by paragraphs (c) and (d) of subsection 3 of NRS 422.37945.

3. The revenue from an assessment imposed pursuant to subsection 1 must be deposited in the Account.

~~{3.}~~ 4. An assessment imposed pursuant to subsection 1 must comply with the provisions of 42 C.F.R. § 433.68. The revenue generated by such an assessment must be used only for the purposes authorized by NRS 422.37945. An assessment must not be imposed pursuant to subsection 1 if state or federal law or regulations prohibit ~~(using)~~ or alter the use of the revenue generated by the assessment for the purposes prescribed in NRS 422.37945. If new state or federal law or regulations imposing such a prohibition or making such an alteration are enacted or adopted, as applicable:

(a) An assessment must not be collected after the effective date of the law or regulations; and

(b) Any money collected during the calendar or fiscal year, as applicable, in which the ~~federal~~ law or regulations become effective must be returned to the operators from whom it was collected.

~~{4.}~~ 5. An operator shall submit to the Division any information requested by the Division for the purposes of carrying out the provisions of this section.

Sec. 2. NRS 422.37945 is hereby amended to read as follows:

422.37945 1. The Account to Improve Health Care Quality and Access is hereby created in the State General Fund. The Division shall administer the Account. The revenue from assessments and penalties imposed on the operators in each operator group must be accounted for separately in the Account.

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

3. ~~{The}~~ Subject to the provisions of subsections 4 and 5, money in the Account must be expended to:

(a) Provide supplemental payments or enhanced rates of reimbursement to operators ~~{in the operator group upon whom an assessment was imposed}~~ pursuant to an upper payment limit program established under the provisions of 42 C.F.R. § 447.272 or 447.321;

(b) Provide supplemental payments to operators ~~{in the operator group upon whom an assessment was imposed}~~ who provide care to recipients of Medicaid in addition to the reimbursements those operators would otherwise receive for providing such care; ~~{and}~~

(c) Administer the provisions of NRS 422.3791 to 422.3795, inclusive ~~{~~ ~~—4.}~~ ; and

(d) For money generated by an assessment imposed against the operators of private hospitals or private rural hospitals, fund additional supports and services under Medicaid, as approved by the Director, to improve access to behavioral health care for recipients of Medicaid with serious behavioral health conditions, including, without limitation, psychiatric disorders, in order

to reduce the burden imposed by such recipients on the emergency medical services and inpatient services of the hospitals in this State.

4. Not more than 15 percent of the total amount of money generated each year by assessments against the operators of private hospitals or private rural hospitals may be expended for the purposes described in paragraphs (c) and (d) of subsection 3. Money allocated for such expenditures must be used first for the purpose described in paragraph (c) of subsection 3. If money allocated for such expenditures remains after all necessary expenditures are made for that purpose, the Division shall expend the remaining money for the purpose described in paragraph (d) of subsection 3.

5. Money in the Account that was generated by a specific assessment must not be expended to provide supplemental payments or enhanced rates of reimbursement pursuant to subsection 3 to operators in an operator group that is not subject to the assessment unless such expenditure was identified as a potential use of revenue when the assessment received an affirmative vote of at least 67 percent of the operators in the operator group subject to the assessment pursuant to subsection 1 of NRS 422.3794.

6. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance of the Account must be carried forward to the next fiscal year.

7. The Director shall seek all necessary federal authority to capture all available federal financial participation to provide additional supports and services as described in paragraph (d) of subsection 3.

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. 830 to Senate Bill No. 435 prohibits the continued imposition of a provider assessment where state or federal law or regulations prohibit or alter the authorized uses of the revenue generated by the assessment and specifies the assessment revenue may only be used for authorized purposes.

Amendment adopted.

Bill read third time.

Remarks by Senator Nguyen.

Senate Bill No. 435, as amended, authorizes money received from a private medical provider assessment to be used to provide supplemental payments or enhanced rates of or reimbursement to operators that are not assessed the provider tax under certain circumstances. Additionally, Senate Bill No. 435 allows funding received from private and rural hospitals to enhance behavioral health services provided through Medicaid and limits the total amount of assessed provider tax for enhanced services and administrative purposes to 15 percent.

Roll call on Senate Bill No. 435:

YEAS—21.

NAYS—None.

Senate Bill No. 435 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

UNFINISHED BUSINESS
SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President pro Tempore and Secretary signed Senate Bills Nos. 34, 61, 63, 76, 293, 309, 317, 336, 391, 417 and 418 and Senate Joint Resolution No. 3.

Senator Cannizzaro moved that the Senate adjourn until Friday, June 2, 2023, at 5:00 p.m.

Motion carried.

Senate adjourned at 10:14 p.m.

Approved:

PAT SPEARMAN
President pro Tempore of the Senate

Attest: BRENDAN BUCY
Secretary of the Senate