

# NEVADA

## BALLOT QUESTIONS

### 1994



A compilation of ballot questions which will appear  
on the November 8, 1994, Nevada  
general election ballot

Issued by  
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*Secretary of State*

***"America's red, white and blue  
depends on you"***

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STATE OF NEVADA



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Dear Fellow Nevadan:

Before each general election, the Secretary of State compiles a handbook like this one in order to provide Nevadans with information about the statewide ballot questions which will appear on the November ballot.

Each question contains a condensation, explanation, arguments for and against, and a fiscal note. It is important to remember that the fiscal note explains only adverse impacts, rather than any financial savings the state might expect. This information is provided by either the Legislative Counsel Bureau or the Office of the Secretary of State, depending on the type of question which is presented. I hope you find these explanations helpful.

Ballot questions are an important part of the electoral process. Your vote is crucial, since in many cases you are actually approving a new law or amending the Nevada Constitution. I urge you to use this booklet as a starting point towards becoming a more informed and involved voter. Should you have any additional information which my office can provide, please do not hesitate to call upon us.

Sincerely,

A handwritten signature in black ink, appearing to read "Cheryl A. Lau".

CHERYL A. LAU

## LEGISLATIVE ENACTMENTS

The joint resolutions on the following pages are measures passed by the Nevada Legislature which placed Questions 1, 2,3,5 and 6 on the 1994 general election ballot. Material within the text in italics would if approved by the voters, be new language added to the constitution. Material in brackets would, if approved by the voters, be deleted. The term "66th session" refers to the 1991 Nevada Legislature, where the questions originated. Each of the ballot questions were approved by the 1991 and 1993 Legislature. If the measures are approved by the people, the amendments become part of the Nevada Constitution. The condensation, explanation, arguments and fiscal note of the measure have been prepared by the Legislative members or legislative staff.

Questions 4 and 7 are measures passed by the 1993 Nevada Legislature to amend the Sales and Use Tax Act of 1955. If approved by the voters it will amend the Sales and Use Tax Act.

## INITIATIVE MEASURES

The Initiative measures, questions 8, 9, 10 and 11, are to amend the Nevada Constitution. If approved by the voters at the 1994 General Election, the Secretary of State shall resubmit the proposals to the voters at the 1996 General Election. If approved in 1996, the amendments would become part of the Nevada Constitution. The condensation, explanation, arguments and fiscal note of the measure have been prepared by the Secretary of State, upon consultation with the Attorney General.

## NOTES TO VOTERS

### NOTE NO. 1-

Ballot Questions 4 and 7 relate to Nevada's sales tax. It is important that you understand this tax and the process by which it may be changed. As noted below, only a portion of this tax may be changed by you, the voter.

Nevada's sales tax consists of three separate taxes levied at different rates on the sale and use of personal property in the state. The current total rate is 6.50 percent.

The tax includes:

| Tax                                       | Rate                |
|---|---------------------|
| 1. The Sales and Use Tax . . . . .        | 2 Percent           |
| 2. The Local School Support Tax . . . . . | 2.25 Percent        |
| 3. The City-County Relief Tax . . . . .   | <u>2.25</u> Percent |
| Total . . . . .                           | 6.50 Percent        |

The Sales and Use Tax may be amended or repealed only with the approval of the voters. The Local School Support Tax and the City-County Relief Tax may be amended or repealed by the legislature without the approval of the voters. For the questions on this ballot, however, the legislature has provided that the Local School Support Tax and the City-County Relief Tax will not be amended unless you approve the corresponding amendment to the Sales and Use Tax.

Depending on its population, each county is also authorized to impose an additional tax at a rate of up to 1 percent, subject to the approval of the voters or governing body in that county. These Additional taxes have, in some counties increased the rate of the sales tax above the rate imposed statewide.

### NOTE NO. 2-

Each ballot question includes a FISCAL NOTE that explains only the adverse effect on state and local governments (increased expenses or decreased revenues).

# QUESTION NO. 1

## Amendment to the Nevada Constitution

Assembly Joint Resolution No. 21 of the 66th Session

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to extend the jurisdiction of the Commission on Judicial Discipline and to expand the forms of discipline that the commission may impose?

Yes.....☒

202,659

No.....☐

156,239

### EXPLANATION

The Nevada Constitution establishes a Commission on Judicial Discipline and governs its composition, jurisdiction, and operation. The jurisdiction of the commission is limited to State Supreme Court Justices and District Court Judges. This amendment would expand the jurisdiction of the commission by allowing it to take disciplinary action against Municipal Court Judges and Justices of the Peace in addition to the Supreme Court Justices and District Court Judges.

The commission's authority to discipline is limited to the actions of censure, removal, or retirement. Adoption of the amendment would allow the commission to utilize other forms of discipline in addition to censure, removal, or retirement.

The Constitution prohibits Supreme Court Justices from sitting on the commission in a proceeding involving another Supreme Court Justice. District Judges are prohibited from sitting on the commission in a proceeding involving a District Judge from the same judicial district. The amendment would expand these provisions to prohibit a Municipal Judge or Justice of the Peace from sitting on the commission in a proceeding involving a like judge from the same city or township.

A "Yes" vote is a vote to amend the Nevada Constitution to expand the jurisdiction of the Commission on Judicial Discipline and its disciplinary authority. A "No" vote is a vote to retain the current constitutional provisions.

### ARGUMENTS FOR PASSAGE

Lower court judges should be subject to the same disciplinary sanctions as Supreme Court Justices and District Court Judges. The Municipal Judges and Justices of the Peace have a significant impact on the residents of Nevada. The conduct of these judges should be subject to the oversight of the Commission on Judicial Discipline and its ability to discipline judges when necessary. Additionally, the commission should be given a broad range of sanctions it may impose for judicial misconduct. Many cases come before the commission involving conduct that should be punished, but not by censure, retirement, or removal. For example, inappropriate judicial temperament should be the subject of discipline, but may not rise to the level of requiring removal. The commission should be able to take such actions as imposing fines or providing for suspensions.

## ARGUMENTS AGAINST PASSAGE

The Constitution requires the Supreme Court to adopt rules governing the confidentiality of all proceedings of the Commission on Judicial Discipline, except decisions to censure, retire, or remove a judge. This amendment would permit other forms of discipline, but would allow them to be confidential and not open to the public. In addition, the use of the phrase "other forms of discipline" is too broad and grants too much discretion to the Supreme Court to define the phrase, and to the commission to apply the phrase. The amendment should not be approved in its present form because it would allow greater confidentiality and does not specify which "other forms of discipline" are permitted.

## FISCAL NOTE

**Financial Impact—No.** The proposal to amend the Nevada Constitution would extend the jurisdiction of the Commission on Judicial Discipline and expand the forms of discipline that the commission may impose. The proposal would have no adverse fiscal impact.

## FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION—Proposing to amend the constitution of the State of Nevada to extend the jurisdiction of the commission on judicial discipline.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 21 of article 6 of the constitution of the State of Nevada be amended to read as follows:

Sec. 21. 1. A justice of the supreme court, [or] a district judge, *a justice of the peace or a municipal judge* may, in addition to the provision of article 7 for impeachment, be censured, retired, [or] removed *or otherwise disciplined* by the commission on judicial discipline. A justice or judge may appeal from the action of the commission to the supreme court, which may reverse such action or take any alternative action provided in this subsection.

2. The commission is composed of:

- (a) Two justices or judges appointed by the supreme court;
- (b) Two members of the State Bar of Nevada, a public corporation created by statute, appointed by its board of governors; and
- (c) Three persons, not members of the legal profession, appointed by the governor.

The commission shall elect a chairman from among its three lay members.

3. If at any time the State Bar of Nevada ceases to exist as a public corporation or ceases to include all attorneys admitted to practice before the courts of this state, the legislature shall provide by law, or if it fails to do so the court shall provide by rule, for the appointment of attorneys at law to the positions designated in this section to be occupied by members of the State Bar of Nevada.

4. The term of office of each appointive member of the commission, except the first members, is 4 years. Each appointing authority shall appoint one of the members first appointed for a term of 2 years. If a vacancy occurs, the appointing authority shall fill the vacancy for the unexpired term. An appointing authority shall not appoint more than one resident of any county. The governor shall not appoint more than two members of the same political party. No member may be a member of a commission on judicial selection.

5. The supreme court shall make appropriate rules for:

(a) The confidentiality of all proceedings before the commission, except a decision to censure, retire or remove a justice or judge.

(b) The grounds of censure [.] *and other forms of discipline which may be imposed by the commission.*

(c) The conduct of investigations and hearings.

6. No justice or judge may by virtue of this section be:

(a) Removed except for willful misconduct, willful or persistent failure to perform the duties of his office or habitual

intemperance; or

(b) Retired except for advanced age which interferes with the proper performance of his judicial duties, or for mental or physical disability which prevents the proper performance of his judicial duties and which is likely to be permanent in nature.

7. Any person may bring to the attention of the commission any matter relating to the fitness of a justice or judge. The commission shall, after preliminary investigation, dismiss the matter or order a hearing to be held before it. If a hearing is ordered, a statement of the matter shall be served upon the justice or judge against whom the proceeding is brought. The commission in its discretion may suspend a justice or judge from the exercise of his office pending the determination of the proceedings before the commission. Any justice or judge whose removal is sought is liable to indictment and punishment according to law. A justice or judge retired for disability in accordance with this section is entitled thereafter to receive such compensation as the legislature may provide.

8. If a proceeding is brought against a justice of the supreme court, no justice of the supreme court may sit on the commission for that proceeding. If a proceeding is brought against a district judge, no district judge from the same judicial district may sit on the commission for that proceeding. *If a proceeding is brought against a justice of the peace, no justice of the peace from the same township may sit on the commission for that proceeding. If a proceeding is brought against a municipal judge, no municipal judge from the same city may sit on the commission for that proceeding.* If an appeal is taken from an action of the commission to the supreme court, any justice who sat on the commission for that proceeding is disqualified from participating in the consideration or decision of the appeal. When any member of the commission is disqualified by this subsection, the supreme court shall appoint a substitute from among the eligible judges.

9. The commission may:

- (a) Designate for each hearing an attorney or attorneys at law to act as counsel to conduct the proceeding;
- (b) Summon witnesses to appear and testify under oath and compel the production of books, papers, documents and records;
- (c) Grant immunity from prosecution or punishment when the commission deems it necessary and proper in order to compel the giving of testimony under oath and the production of books, papers, documents and records; and
- (d) Exercise such further powers as the legislature may from time to time confer upon it.

## QUESTION NO. 2

### Amendment to the Nevada Constitution

Senate Joint Resolution No. 7 of the 66th Session

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to abolish executive sessions of the senate and require that all meetings of legislative committees be open to the public, except meetings to consider certain personnel matters?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input checked="" type="checkbox"/> | 285,942 |
| No.....  | <input type="checkbox"/>            | 79,699  |

### EXPLANATION

The Nevada Constitution now requires that the doors of each house of the Legislature be kept open during a session, except when the Senate sits in executive session. The proposed amendment would prohibit such closed meetings of the Senate, and further, would require that all legislative committee meetings be open to the public, except for those concerning certain personnel matters. Under this proposal, closed meetings could be held to consider the character, alleged misconduct, professional competence or physical or mental health of a person.

### ARGUMENTS FOR PASSAGE

The Legislature is not subject to the provisions of Nevada's Open Meeting Law. Although it would be difficult to conduct a legislative session in an efficient manner and still comply with certain provisions of that law, it is essential that there be a guarantee in the Constitution that all legislative committee meetings, except personnel sessions, be open to the public. Likewise, the Constitutional provision which allows the Senate to conduct closed executive sessions should be repealed. It is in the best interests of Nevada and its citizens that meetings of legislative committees be open to public scrutiny.

### ARGUMENTS AGAINST PASSAGE

The Legislature needs the flexibility to adapt to unforeseen circumstances. Although legislative committee meetings typically are open to the public, the need may arise to conduct a closed meeting. Also, no executive session of the Senate has been conducted over the past 100 years. This amendment to the Constitution is unnecessary.

### FISCAL NOTE

**Financial Impact-No.** The proposal to amend the Nevada Constitution would require that meetings of legislative committees be open to the public. Because this is the current practice, the proposal would have no adverse fiscal impact.



## FULL TEXT OF THE MEASURE

SENATE JOINT RESOLUTION--Proposing to amend section 15 of article 4 of the constitution of the State of Nevada to abolish executive sessions of the Senate and require that all meetings of legislative committees be open to the public, except meetings to consider certain personnel matters.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That section 15 of article 4 of the constitution of the State of Nevada be amended to read as follows:

[Sec:] Sec. 15. The doors of each House shall be kept open during its session, [except the Senate while sitting in executive session,] and neither shall, without the consent of the other, adjourn for more than three days nor to any other place than that in which they may be holding their sessions. *The meetings of all legislative committees must be open to the public, except meetings held to consider the character, alleged misconduct, professional competence, or physical or mental health of a person.*

Senate Resolution No. 4--Committee on Legislative Affairs and Operations

# QUESTION NO. 3

## Amendment to the Nevada Constitution

Assembly Joint Resolution No. 22 of the 66th Session

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to allow an increase in the salaries of Justices of the Supreme Court and District Court Judges during their terms of office?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input type="checkbox"/>            | 58,363  |
| No.....  | <input checked="" type="checkbox"/> | 309,137 |

### EXPLANATION

The Legislature has the authority to revise periodically the salaries of elected State and county officers, including Justices of the Supreme Court and District Court Judges. However, the Nevada Constitution prohibits any increase or decrease in the salaries of Justices and District Judges during their terms of office. As a result, if the Legislature increases the salary of the Justices or District Judges, only those Justices or Judges who are elected or reelected after the increase may receive the higher salary. The Justices and Judges who are serving at the time of the increase continue to receive the lower salary until their reelection. The amendment would permit all Justices of the Supreme Court and District Court Judges to receive any increase in salary when it is approved by the Legislature. A "Yes" vote is a vote to allow increases in the salaries of Supreme Court Justices and District Court Judges during their terms of office. A "No" vote is a vote to disapprove the proposed constitutional amendment.

### ARGUMENTS FOR PASSAGE

Justices of the Supreme Court or District Court Judges should receive the same salary, regardless of when their terms of office begin. It is unfair for a Justice or Judge who is serving at the time of a salary increase to earn less than a newly elected Justice or Judge. To compensate, State law now allows a Supreme Court Justice who otherwise would earn less than other Justices to receive additional pay for service on the State Board of Pardons Commissioners. There is no similar method of compensation for District Court Judges. The amendment removes the need for such a complicated salary adjustment by permitting all Justices and District Judges to receive a pay raise when it is approved.

### ARGUMENTS AGAINST PASSAGE

When a person runs for election to public office, he or she is aware of the compensation for that office and should accept that salary for the full term. Allowing a salary increase during a term of office may lead to the appearance of impropriety.

## FISCAL NOTE

**Financial Impact—No.** This proposal to amend the Nevada Constitution would permit an increase in the salaries of Supreme Court Justices and District Court Judges during their terms of office, but such an increase would require legislative action.

## FULL TEXT OF THE MEASURE

**ASSEMBLY JOINT RESOLUTION**—Proposing to amend the constitution of the State of Nevada to allow an increase in the salaries of justices of the supreme court and district judges during their terms of office.

**RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY,** That section 15 of article 6 and section 9 of article 15 of the constitution of the State of Nevada be amended to read respectively as follows:

Sec . [:] 15. The Justices of the Supreme Court and District Judges shall each receive for their services a compensation to be fixed by law and paid in the manner provided by law, which shall not be [increased or] diminished *but may be increased* during the term for which they [shall] have been elected . [, unless a Vacancy occurs, in which case] *If a vacancy occurs*, the successor of the former incumbent shall receive only such salary as may be provided by law at the time of his election or appointment [; and provision] , *which shall not be diminished but may be increased during the remainder of the term to which he was elected or appointed.* Provision shall be made by law for setting apart from each year's revenue a sufficient amount of Money, to pay such compensation.

Sec . [:] 9. The Legislature may, at any time, provide by law for increasing or diminishing the salaries or compensation of any of the Officers, whose salaries or compensation is fixed in this Constitution. [; Provided,] *Except as otherwise provided in this Constitution*, no such change of Salary or compensation shall apply to any Officer during the term for which he may have been elected.

# QUESTION NO. 4

## Amendment to the Sales and Use Tax Act of 1955

Assembly Bill 173

### CONDENSATION (ballot question)

Shall the Sales and Use Tax Act of 1955 be amended to provide an exemption from the taxes imposed by this act on the gross receipts from the sale and the storage, use or other consumption of horses?

Yes.....☐

112,807

No.....☒

245,810

### EXPLANATION

The proposed amendment to the Sales and Use Tax Act of 1955 would exempt from the taxes imposed by this act the gross receipts from the sale and the storage, use or other consumption of horses. If this proposal is adopted, the legislature has provided that the Local School Support Tax Law and the City-County Relief Tax Law will be amended to provide the same exemption.

### ARGUMENTS FOR PASSAGE

Horses are one of the few forms of livestock which are currently subject to sales and use taxes. Most other animals are exempt because they are used to produce food for human consumption. In reality, the tax is not collected on most sales of horses. These sales often take place between private parties and are not reported. Therefore, it would be more fair to treat horses like other livestock and exempt them from sales and use taxes.

### ARGUMENTS AGAINST PASSAGE

Nevada should not provide additional exemptions to its sales tax, particularly for items such as horses which are often used only for recreation.

### FISCAL NOTE

**Fiscal Impact-Yes.** The proposal would exempt the sale of horses from the Sales and Use Tax Act of 1955. Approval of this question would result in minor revenue losses for the State and for local governments. These losses are estimated at \$5,631 in Fiscal Year 1994-1995, and approximately \$13,500 in subsequent fiscal years.

## FULL TEXT OF THE MEASURE

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption from the tax for horses; contingently creating the same exemption from certain analogous taxes; and providing other matters properly relating thereto.

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

AN ACT to amend an act entitled "An Act to provide revenue for the State of Nevada; providing for Sales and use taxes; providing for the manner of collection; defining certain terms; providing penalties for violation, and other matters properly relating thereto." approved March 29, 1955, as amended.

THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

Section 1. The above-entitled act, being chapter 397, Statutes of Nevada 1955, at page 762, is hereby amended by adding thereto a new section to be designated as section 58.1, immediately following section 58, to read as follows:

*Sec. 58.1. There are exempted from the taxes imposed by this act the gross receipts from the sale and the storage, use or other consumption of horses.*

Sec. 2. This act becomes effective on January 1, 1995.

# QUESTION NO. 5

## Amendment to the Nevada Constitution

Assembly Joint Resolution No. 24 of the 66th Session

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to authorize the State to enter into installment or lease purchase agreements notwithstanding the limitations on State indebtedness?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input type="checkbox"/>            | 55,024  |
| No.....  | <input checked="" type="checkbox"/> | 300,876 |

### EXPLANATION

The Nevada Constitution now allows the State to contract public debts, but prohibits the sum of such debts from exceeding 2 percent of the assessed valuation of the State. Currently, the Constitution authorizes the State, with the specific authority of the Legislature, to enter into contracts that exceed the debt limitations for the protection and preservation of any of the State's property or natural resources. The proposed amendment would make an additional exception to the limitation on state indebtedness to allow the State, with the authority of the Legislature, to enter into installment or lease purchase agreements. Such an agreement must include a clause, known as a nonappropriation clause, which removes the State from its contractual obligation if the Legislature does not appropriate the necessary funds. A "Yes" vote is a vote to amend the Nevada Constitution to allow this exception. A "No" vote is a vote to reject the constitutional amendment.

### ARGUMENTS FOR PASSAGE

This amendment will provide the State more flexibility and options for financing large projects, such as the construction of new buildings. The amendment is also necessary to allow the State to enter into agreements to privatize governmental facilities and services, such as parts of the prison system. The nonappropriation clauses in these agreements avoid the creation of too much debt.

### ARGUMENTS AGAINST PASSAGE

This amendment allows the State to bypass the debt limitations by using installment agreements. Once the agreements are entered into, the Legislature will appropriate the money necessary to make the payments, despite the nonappropriation clauses. Consequently, installment agreements will be ultimately more expensive to the taxpayers because of the interest payments and the potentially unlimited debt.

### FISCAL NOTE

**Financial Impact--No.** The proposal to amend the Nevada Constitution would exclude installment or lease purchase agreements from the State's limitation on bonded indebtedness. The fiscal effect would be determined by the agreements into which the State would ultimately enter.

## FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION—Proposing to amend section 3 of article 9 of the constitution of the State of Nevada, relating to public debts, to authorize the state to enter into certain agreements notwithstanding the limitations on state indebtedness.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 3 of article 9 of the constitution of the State of Nevada be amended to read as follows:

Sec. 3. 1. The state may contract public debts; but such debts shall never, in the aggregate, exclusive of interest, exceed the sum of two per cent of the assessed valuation of the state, as shown by the reports of the county assessors to the state controller, except for the purpose of defraying extraordinary expenses, as hereinafter mentioned. Every such debt shall be authorized by law for some purpose or purposes, to be distinctly specified therein; and every such law shall provide for levying an annual tax sufficient to pay the interest semiannually, and the principal within twenty years from the passage of such law, and shall specially appropriate the proceeds of said taxes to the payment of said principal and interest; and such appropriation shall not be repealed nor the taxes postponed or diminished until the principal and interest of said debts shall have been wholly paid. Every contract of indebtedness entered into or assumed by or on behalf of the state, when all its debts and liabilities amount to said sum before mentioned, shall be void and of no effect, except in cases of money borrowed to repel invasion, suppress insurrection, defend the state in time of war, or, if hostilities be threatened, provide for the public defense.

2. The state, notwithstanding the foregoing limitations, may, pursuant to authority of the legislature [, make] :

(a) *Make and enter into any and all contracts necessary, expedient or advisable for the protection and preservation of any of its property or natural resources, or for the purposes of obtaining the benefits thereof, however arising and whether arising by or through any undertaking or project of the United States or by or through any treaty or compact between the states, or otherwise [.] ; and*

(b) *Enter into installment or lease purchase agreements if the state's obligations under those agreements are extinguished by the failure of the legislature to appropriate money for the ensuing biennium for payment of the amounts then coming due.*

The legislature may from time to time make such appropriations as may be necessary to carry out the obligations of the state under such contracts [,or agreements], and shall levy such tax as may be necessary to pay the same or carry them into effect.

# QUESTION NO. 6

## Amendment to the Nevada Constitution

Senate Joint Resolution No. 21 of the 66th Session

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to authorize a reduction in the tax on all or part of the property of a business or industry that relocates or has relocated its hazardous operations to one or more sites designated by the State Legislature?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input type="checkbox"/>            | 136,311 |
| No.....  | <input checked="" type="checkbox"/> | 222,158 |

### EXPLANATION

The Nevada Constitution requires the Legislature to provide for a uniform and equal rate of assessment and taxation and for a just valuation of all property, with certain limitations and exemptions. This amendment would allow the Legislature to provide for a reduction in the tax on all or part of the property of a business or industry that relocates or has relocated all or part of its hazardous operations to one or more sites designated by the Legislature. The reduction would apply only to businesses that were located in Nevada on or before July 1, 1991. A "yes" vote is a vote to amend the Nevada Constitution to authorize a reduction in the property tax of businesses that relocate or have relocated hazardous operations. A "no" vote is a vote to disapprove the constitutional amendment.

### ARGUMENTS FOR PASSAGE

An industrial site containing hazardous materials or operations represents a potential hazard to public safety, particularly if located near a residential area. Previous accidents involving hazardous materials have resulted in substantial damage and injuries. If a tax incentive is provided to reduce the costs of relocation, businesses will be enabled and encouraged to move hazardous operations away from populated areas. Without such a reduction, the costs of relocation could be prohibitive even if a business is willing to relocate. In addition, the expense to respond to a major accident is significantly lowered if hazardous operations are confined to a designated area, because evacuation is limited and emergency response plans are easier and faster to carry out. Finally, precedent exists for different taxation treatment of certain property, such as that given to encourage the conservation of energy, when such a difference is in the public interest.

### ARGUMENTS AGAINST PASSAGE

The constitutional provisions governing the taxation of property are designed to provide uniformity and equity in taxation. Any exemption or special treatment weakens that principle. In addition, the amendment will allow the Legislature to reduce the tax imposed on all of a business's property, even if only part of its hazardous operations are relocated. Every type of business has risks and benefits specific to it. The risks, like the benefits, are the owner's, and they do not warrant favored tax status.



## FISCAL NOTE

**Financial Impact—Cannot be determined.** The proposal would amend the Nevada Constitution to authorize a reduction in the tax on all or part of the property of certain businesses or industries that relocate or have relocated hazardous operations to one or more sites designated by the State Legislature. The fiscal effect would be determined by the total assessed valuation of any industries or businesses that took advantage of this provision.

## FULL TEXT OF THE MEASURE

SENATE JOINT RESOLUTION—Proposing to amend the Nevada constitution to authorize a reduction in the tax on all or part of the property of a business or industry that relocates or has relocated its hazardous operations from an area in this state to a site or sites designated by the legislature.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That section 1 of article 10 of the constitution of the State of Nevada be amended to read as follows:

Section 1. 1. The legislature shall provide by law for a uniform and equal rate of assessment and taxation, and shall prescribe such regulations as shall secure a just valuation for taxation of all property, real, personal and possessory, except mines and mining claims, which shall be assessed and taxed only as provided in section 5 of this article.

2. Shares of stock, bonds, mortgages, notes, bank deposits, book accounts and credits, and securities and choses in action of like character are deemed to represent interest in property already assessed and taxed, either in Nevada or elsewhere, and shall be exempt.

3. The legislature may constitute agricultural and open-space real property having a greater value for another use than that for which it is being used, as a separate class for taxation purposes and may provide a separate uniform plan for appraisal and valuation of such property for assessment purposes. If such plan is provided, the legislature shall also provide for retroactive assessment for a period of not less than 7 years when agricultural and open-space real property is converted to a higher use conforming to the use for which other nearby property is used.

4. Personal property which is moving in interstate commerce through or over the territory of the State of Nevada, or which was consigned to a warehouse, public or private, within the State of Nevada from outside the State of Nevada for storage in transit to a final destination outside the State of Nevada, whether specified when transportation begins or afterward, shall be deemed to have acquired no situs in Nevada for purposes of taxation and shall be exempt from taxation. Such property shall not be deprived of such exemption because while in the warehouse the property is assembled, bound, joined, processed, disassembled, divided, cut, broken in bulk, relabeled or repackaged.

5. The legislature may exempt motor vehicles from the provisions of the tax required by this section, and in lieu thereof, if such exemption is granted, shall provide for a uniform and equal rate of assessment and taxation of motor vehicles, which rate shall not exceed five cents on one dollar of assessed valuation.

6. The legislature shall provide by law for a progressive reduction in the tax upon business inventories by 20 percent in each year following the adoption of this provision, and after the expiration of the 4th year such inventories are exempt from taxation. The legislature may exempt any other personal property, including livestock.

7. No inheritance tax shall ever be levied.

8. The legislature may exempt by law property used for municipal, educational, literary, scientific or other charitable purposes, or to encourage the conservation of energy or the substitution of other sources for fossil sources of energy.

9. No income tax shall be levied upon the wages or personal income of natural persons. Notwithstanding the foregoing provision, and except as otherwise provided in subsection 1 of this section, taxes may be levied upon the income or revenue of any business in whatever form it may be conducted for profit in the state.

10. *The legislature may provide by law for a uniform and equal reduction in the tax imposed on all or part of the property of a business or industry that relocates all or part of its hazardous operations to one or more sites designated by the legislature. The reduction must only be allowed for businesses that:*

*(a) Were located in Nevada on or before July 1, 1991; and*

*(b) Relocate or have previously relocated their hazardous operations from an area in this state to a site or sites designated by the legislature.*

# QUESTION NO. 7

## Amendment to the Sales and Use Tax Act of 1955

Assembly Bill 731 of the 67th Session

### CONDENSATION (ballot question)

Shall the Sales and Use Tax Act of 1955 be amended to provide an express exemption from the sales tax for any tangible personal property sold by the Federal Government, certain agencies of the Federal Government, the State of Nevada, certain agencies of the State, political subdivisions of the State, and certain religious or charitable organizations?

Yes..... ☐ 113,562  
No..... ☒ 243,633

### EXPLANATION

The Sales and Use Tax Act of 1955 exempts from the sales tax *purchases* of tangible personal property made by certain public, religious and charitable entities. This amendment provides an express exemption from taxes on *sales* of any tangible personal property made by the same organizations. The law specifies that such entities are the United States, any unincorporated agency or instrumentality of the United States, certain incorporated agencies or instrumentalities of the United States, the State of Nevada, any political subdivision of the State of Nevada, or any organization that is created for religious, charitable, or eleemosynary purposes and meets other, specified criteria. If this proposal is adopted, the Legislature has provided that the Local School Support Tax Law and the City-County Relief Tax Law will be amended to provide the same exemption. A "yes" vote amends the Sales and Use Tax Act of 1955 to provide an express exemption from the sales tax for tangible personal property sold by these entities. A "no" vote is a vote to disapprove the exemption and retains the Act as it is currently written.

### ARGUMENTS FOR PASSAGE

State law already exempts from taxation the sales of tangible personal property to many public, religious, and charitable entities. This amendment would include sales made by those entities. Many groups sell items, such as used clothing and baked goods, to raise funds for worthy causes. Collecting sales taxes on these transactions would hamper their efforts to raise money. Traditionally, Nevada's Department of Taxation has considered such sales tax-exempt. Passage of this amendment ensures that the exemption continues.

### ARGUMENTS AGAINST PASSAGE

State law already contains numerous exemptions from the sales tax. Specifying another exemption while the State is experiencing budget constraints is inadvisable. Additionally, the exemption may create an advantage for certain nonprofit retail enterprises over similar businesses operated for profit. Defeat of this amendment allows the taxation of sales of tangible personal property, regardless of the type of entity selling such items.

## FISCAL NOTE

**Financial Impact—No.** The proposal would provide an *express* exemption from the sales tax for any tangible personal property sold by certain governmental, religious, and charitable entities. This proposal would have no adverse fiscal impact because it reflects historical interpretation of statute by the Department of Taxation.

## FULL TEXT OF THE MEASURE

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide expressly an exemption for the gross receipts from the sale of tangible personal property by specified governmental entities and by certain organizations created for religious, charitable or eleemosynary purposes; contingently providing the same exemption for certain analogous taxes; and providing other matters properly relating thereto.

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

AN ACT to amend an act entitled "An Act to provide revenue for the State of Nevada; providing for sales and use taxes; providing for the manner of collection; defining certain terms; providing penalties for violation, and other matters properly relating thereto." approved March 29, 1955, as amended.

THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

Section 1. Section 50 of the above-entitled act, being chapter 397, Statutes of Nevada 1955, at page 771, is hereby amended to read as follows:

Sec. 50. There are exempted from the computation of the amount of the sales tax the gross receipts from the sale of any tangible personal property *by or to*:

- [(a)] 1. The United States, its unincorporated agencies and instrumentalities.
- [(b)] 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.
- [(c)] 3. The State of Nevada, its unincorporated agencies and instrumentalities.
- [(d)] 4. Any county, city, district [,] or other political subdivision of this state.
- [(e)] 5. Any organization created for religious, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual.

Sec. 2. This act becomes effective on January 1, 1995.

## QUESTION NO. 8

### An Initiative Relating to Term Limits for Federal Officers

#### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to establish term limits for the offices of U.S. Representative in Congress and U.S. Senator?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input checked="" type="checkbox"/> | 257,362 |
| No.....  | <input type="checkbox"/>            | 110,430 |

#### EXPLANATION

The Nevada Constitution currently places no limit on the number of terms to which Nevada U.S. Representatives and U.S. Senators can be elected. This amendment would limit U.S. Representatives from Nevada to serving six (6) years or three (3) terms in office. U.S. Senators from Nevada would be limited to serving twelve (12) years or two (2) terms in office. The limits apply as of December 31, 1996, but do not take effect until 24 other states have similar measures.

#### ARGUMENT FOR PASSAGE

Proponents argue that passage will reduce the power of the seniority system in Congress so that all members of Congress, whether they are new or old, will have the same amount of power. Serving as a member of Congress will no longer be a career, since being a Senator will be limited to 12 years and being a Congressman will be limited to 6 years. This amendment will provide a more level playing field for Senators and Congressmen. Passage may lessen the power of lobbyists and special interest groups because these elected officials will only be in office for a limited amount of time. Members of Congress would have the opportunity to focus on the issues instead of reelection. Proponents argue that members of Congress will become more responsive to the voters and taxpayers. Over time, a greater number of Nevadans would be allowed to serve in Congress.

#### ARGUMENT AGAINST PASSAGE

Opponents argue that the current system allows members of Congress to be reelected on the basis of accountability and effective performance. Voters already have the power to limit the terms of members of Congress. Experienced members of Congress will not be allowed to run for reelection; nor will members who have done a good job and been responsive to the voters. The seniority system in Congress that rewards experience will be nullified. Continuity of programs could be lost. If a Senator is elected to a second term or a Congressman to a third term, that member of Congress will not be accountable to the voters during that term, since that member of Congress cannot be reelected.

## FISCAL NOTE

**Fiscal Impact-No.** The proposal to amend the Nevada Constitution would limit the terms of a United States Senator or Representative in Congress. The proposal would have no adverse fiscal impact.

## FULL TEXT OF THE MEASURE

### Initiative to Limit Terms of United States Senators and Representative In Congress

The People of the State of Nevada do enact as follows:

Section 1. Article 2 of the constitution of the State of Nevada is hereby amended by adding thereto a new section to read as follows:

*Sec. 10. 1. No person is eligible to have his name placed on a ballot for election as a Representative in Congress if at the end of the current term of that office he will have served, or would have served but for his resignation from that office, as a Representative in Congress from any district of this state, after December 31, 1996, for three full terms or a total of 6 years, whichever is completed first.*

*2. No person is eligible to have his name placed on a ballot for election as a United States Senator if at the end of the current term of that office he will have served, or would have served but for his resignation from that office, as a United States Senator from this state, after December 31, 1996, for two full terms or a total of 12 years, whichever is completed first. The governor shall not appoint as United States Senator any person ineligible to have his name placed on the ballot under this subsection.*

*3. The legislature shall provide by law that the name of any person whom this section makes ineligible to have his name placed upon the ballot may be written in by a registered voter, and for the counting of the votes so written in.*

*4. This section does not become effective until it is proclaimed by the secretary of state, or determined by a district court of this state upon the petition of any registered voter, that at least 24 other states have limited the duration of service of their respective Representatives in Congress and United States Senators.*

## QUESTION NO. 9

### An Initiative Relating to Term Limits for State and Local Public Officers

#### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to establish term limits for state and local public officers?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input checked="" type="checkbox"/> | 259,211 |
| No.....  | <input type="checkbox"/>            | 108,780 |

#### EXPLANATION

Other than the office of governor, the Nevada Constitution currently places no limits on the number of terms to which state and local officers can be elected. This amendment would limit members of the state Assembly to serving twelve (12) years or six (6) terms in office. Members of the state Senate would be limited to serving twelve (12) years or three (3) terms in office. Justices of the Supreme Court, justices of the peace, and all other judges would be limited to two (2) terms. The Secretary of State, State Treasurer, State Controller, and the Attorney General would be limited to eight (8) years or two (2) terms. Other state officials and local governing body members would be limited to twelve (12) years. Appointment to an office for any amount of time would be equal to one (1) term.

#### ARGUMENT FOR PASSAGE

Proponents argue that passage will stop career politicians since no one will be able to hold one office for several terms. Passage may lessen the power of lobbyists and special interest groups since state officials and local governing body members will only be in office for a limited amount of time. State officials and local governing body members would have the opportunity to focus on the issues instead of reelection. A greater number of Nevadans would be allowed to serve as state officials and as members of local governing bodies.

#### ARGUMENT AGAINST PASSAGE

Opponents argue that it may be difficult to get qualified candidates to run for an office if the term of that office is limited. Experienced state office holders and members of local governing bodies will not be allowed to run for reelection; nor will those who have done a good job and been responsive to the voters. During the state or local officials' final term, the official will not be accountable to the voters during that term, since that official cannot be reelected. This amendment does not consider that Nevada currently has a citizen legislature which meets only once every two years; consequently, the current turnover in the state legislature is quite high.

## FISCAL NOTE

**Fiscal Impact-No.** The proposal to amend the Nevada Constitution would limit the terms of State and Local Officers. The proposal would have no adverse fiscal impact.

### FULL TEXT OF THE MEASURE

#### Initiative to Limit Terms of State and Local Officers

The People of the State of Nevada do enact as follows:

Section 1. Section 3 of article 4 of the constitution of the State of Nevada is hereby amended to read as follows:

[Sec:] Sec. 3. 1. The members of the Assembly shall be chosen [biennially] *biennially* by the qualified electors of their respective districts, on the Tuesday next after the first Monday in November and their term of office shall be two years from the day next after their election.

2. *No person may be elected or appointed as a member of the Assembly who has served in that office, or at the expiration of his current term if he is so serving will have served, 12 years or more, from any district of this state.*

Sec. 2 Section 4 of article 4 of the constitution of the State of Nevada is hereby amended to read as follows:

[Sec:]Sec. 4. 1. Senators shall be chosen at the same time and places as members of the Assembly by the qualified electors of their respective districts, and their term of Office shall be four Years from the day next after their election.

2. *No person may be elected or appointed as a Senator who has served in that office, or at the expiration of his current term if he is so serving will have served, 12 years or more, from any district of this state*

Sec. 3. Section 19 of article 5 of the constitution of the State of Nevada is hereby amended to read as follows:

[Section] Sec. 19. 1. A secretary of state, a treasurer, a controller, and an attorney general, shall be elected at the same time and places, and in the same manner as the governor. The term of office of each shall be the same as is prescribed for the governor.

2. Any elector shall be eligible to [either of said] *any of these offices[.], but no person may be elected to any of them more than twice, or more than once if he has previously held the office by election or appointment.*

Sec. 4 Section 11 of article 6 of the constitution of the State of Nevada is hereby amended to read as follows:

Sec. 11. 1. The justices of the supreme court and the district judges shall be ineligible to any office, other than a judicial office, during the term for which they shall have been elected or appointed; and all elections or appointments of any such judges by the people, legislature, or otherwise, during said period, to any office other than judicial, shall be void.

2. *No person may be elected a justice of the supreme court, judge of any other court, or justice of the peace more than twice for the same court, or more than once if he has previously served upon that court by election or appointment.*

Sec. 5. Section 3 of article 15 of the constitution of the State of Nevada is hereby amended to read as follows:

[Section] Sec. 3. 1. No person shall be eligible to any office who is not a qualified elector under this constitution.

2. *No person may be elected to any state office of local governing body who has served in that office, or at the expiration of his current term if he is so serving will have served, 12 years or more, unless the permissible number of terms or duration of service is otherwise specified in this constitution.*

## QUESTION NO. 10

### An Initiative Relating to Establish Limits and Define Campaign Contributions

#### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to add a new section which establishes, limits and defines campaign contributions?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input checked="" type="checkbox"/> | 281,694 |
| No.....  | <input type="checkbox"/>            | 83,174  |

#### EXPLANATION

The Nevada Constitution currently has no provisions which define or regulate campaign contributions. This amendment defines campaign contributions as including items such as paid polling and resulting data, paid direct mail, paid solicitation by telephone, and paid campaign paraphernalia printed or otherwise produced, and the use of paid personnel to assist in a campaign. The amendment also limits the total amount of contributions by a person to any state or local candidate to \$5,000 for the primary election and \$5,000 for the general election. A violation would be a felony.

#### ARGUMENTS FOR PASSAGE

Proponents argue that this amendment is needed in the Nevada Constitution so that it will be more difficult for politicians to change the law regarding campaign contributions. This amendment defines specific types of campaign contributions. The measure also provides for specific contribution limits for the primary and the general election. The Nevada Legislature will be required to establish new penalties for any violations of this section.

#### ARGUMENTS AGAINST PASSAGE

Opponents argue that Nevada already has strict campaign reporting requirements for both contributions and expenditures that may be weakened by passage of this amendment. Nevada law already requires candidates to report campaign contributions such as those listed in the amendment plus others such as gifts, loans, conveyances, deposits, payments, transfers or distributions of money, or anything else of value. Currently, contribution limits are different for local and statewide races. Nevada law already provides for strict penalties for any violations of the campaign finance statutes.

#### FISCAL NOTE

**Fiscal Impact-No.** The proposal to amend the Nevada Constitution would limit certain campaign contributions. The proposal would have no adverse fiscal impact to the State.



## FULL TEXT OF THE MEASURE

### Initiative to Define and Limit Campaign Contributions

The People of the State of Nevada do enact as follows:

Section 1. Article 2 of the constitution of the State of Nevada is hereby amended by adding thereto a new section to read as follows:

*Sec. 10. 1. As used in this section, "contribution" includes the value of services provided in kind for which money would otherwise be paid, such as paid polling and resulting data, paid direct mail, paid solicitation by telephone, any paid campaign paraphernalia printed or otherwise produced, and the use of paid personnel to assist in a campaign.*

*2. The legislature shall provide by law for the limitation of the total contribution by any natural or artificial person to the campaign of any person for election to any office, except a federal office, to \$5,000 for the primary and \$5,000 for the general election, and to the approval or rejection of any question by the registered voters to \$5,000, whether the office sought or the question submitted is local or for the state as a whole. The legislature shall further provide for the punishment of the contributor, the candidate, and any other knowing party to a violation of the limit, as a felony.*

Sec. 2. If article 2 of the constitution of the State of Nevada is also amended by the addition of another section at the same general election at which this initiative is finally approved, the secretary of state shall redesignate the section added by this initiative as

"Sec. 11."

# QUESTION NO. 11

## An Initiative Relating to Tax Restraint

### CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to establish a requirement that at least a two-thirds vote of both houses of the legislature be necessary to pass a measure which generates or increases a tax, fee, assessment, rate or any other form of public revenue?

|          |                                     |         |
|----------|-------------------------------------|---------|
| Yes..... | <input checked="" type="checkbox"/> | 283,889 |
| No.....  | <input type="checkbox"/>            | 79,520  |

### EXPLANATION

A two-thirds majority vote of both houses of the legislature would be required for the passage of any bill or joint resolution which would increase public revenue in any form. The legislature could, by a simple majority vote, refer any such proposal to a vote of the people at the next general election.

### ARGUMENTS FOR PASSAGE

Proponents argue that one way to control the raising of taxes is to require more votes in the legislature before a measure increasing taxes could be passed; therefore, a smaller number of legislators could prevent the raising of taxes. This could limit increases in taxes, fees, assessments and assessment rates. A broad consensus of support from the entire state would be needed to pass these increases. It may be more difficult for special interest groups to get increases they favor. It may require state government to prioritize its spending and economize rather than turning to new sources of revenue. The legislature, by simple majority vote, could ask for the people to vote on any increase.

### ARGUMENTS AGAINST PASSAGE

Opponents argue that a special interest group would only need a small minority of legislators to defeat any proposed revenue measure. Also a minority of legislators could band together to defeat a tax increase in return for a favorable vote on other legislation. Legislators act responsibly regarding increases in taxes since they are accountable to the public to get re-elected. If this amendment is approved, the state could impose unfunded mandates upon local governments. As a tourism based economy with a tremendous population growth, Nevada must remain flexible to change the tax base, if needed. Nevada should continue to operate by majority rule as the Nevada Constitution now provides.

### FISCAL NOTE

**Fiscal Impact-No.** The proposal to amend the Nevada Constitution to require two-thirds vote to pass a bill or joint resolution which creates, generates or increases any public revenue in any form. The proposal would have no adverse fiscal impact to the State.

## FULL TEXT OF THE MEASURE

### Initiative relating to Tax Restraint

The people of the State of Nevada do enact as follows:

That section 18 or article 4 of the constitution of the State of Nevada be amended to read as follows:

[Sec:] *Sec. 18.* 1. Every bill, except a bill placed on a consent calendar adopted as provided in [this section, shall] *subsection 4, must* be read by sections on three several days, in each House, unless in case of emergency, two thirds of the House where such bill [may be] *is* pending shall deem it expedient to dispense with this rule. [;but the] *The* reading of a bill by sections, on its final passage, shall in no case be dispensed with, and the vote on its final passage, shall in no case be dispensed with, and the vote on final passage of every bill or joint resolution shall be taken by yeas and nays to be entered on the journals of each House. [; and] *Except as otherwise provided in subsection 2,* a majority of all the members elected in each house [.shall be] *is* necessary to pass every bill or joint resolution, and all bills or joint resolutions to passed, shall be signed by the presiding officers of the respective Houses and by the Secretary of State and clerk of the Assembly.

2. *Except as otherwise provided in subsection 3, an affirmative vote of not fewer than two-thirds of the members elected to each house is necessary to pass a bill or joint resolution which creates, generates, or increases any public revenue in any form, including but not limited to taxes, fees, assessments and rates, or changes in the computation bases for taxes, fees, assessments and rates.*

3. *A majority of all of the members elected to each house may refer any measure which creates, generates, or increases any revenue in any form to the people of the State at the next general election, and shall become effective and enforced only if it has been approved by a majority of the votes cast on the measure at such election.*

4. Each House may provide by rule for the creation of a consent calendar and establish the procedure for the passage of uncontested bills.