Senate called to order at 10:12 a.m.
President Hutchison presiding.
Roll called.
All present.
Prayer by the Chaplain, Dr. Stanley Friend.
Father, grant to this Senate wisdom and strength to know and to do Your will. Fill them with the love of truth and righteousness and make them ever mindful of their calling to serve You and the people of Nevada. In Your Name we pray.

AMEN.

Pledge of Allegiance to the Flag.

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

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Education, to which was referred Senate Bill No. 302, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BECKY HARRIS, CHAIR

Mr. President:
Your Committee on Judiciary, to which was referred Senate Bill No. 447, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

GREG BROWER, CHAIR

Mr. President:
Your Committee on Legislative Operations and Elections, to which were referred Senate Bills Nos. 19, 403, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

PATRICIA FARLEY, CHAIR
SECOND READING AND AMENDMENT

Senate Bill No. 19.
Bill read second time.

The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 313.

AN ACT relating to elections; authorizing the board of trustees of a school district to place one advisory question on the ballot at a general election; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the governing body of a county or city to submit an advisory question to the voters of the county or city. (NRS 295.230)

Section 3 of this bill authorizes the board of trustees of a school district to submit one advisory question to the voters within its jurisdiction at a general election. Sections 1 and 2 of this bill make conforming changes.

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

Section 1. NRS 293.481 is hereby amended to read as follows:

293.481  1. Except as otherwise provided in subsection 3, every governing body of a political subdivision, public or quasi-public corporation, or other local agency authorized by law to submit questions to the qualified electors or registered voters of a designated territory, when the governing body decides to submit a question:

(a) At a general election, shall provide to each county clerk within the designated territory on or before the third Monday in July preceding the election:

(1) A copy of the question, including an explanation of the question; and

(2) A description of the anticipated financial effect on the local government which, if the question is an advisory question that proposes a bond, tax, fee or expense, must be prepared in accordance with subsection 4 of NRS 295.230.

(b) At a primary election, shall provide to each county clerk within the designated territory on or before the second Friday after the first Monday in March preceding the election:

(1) A copy of the question, including an explanation of the question; and

(2) A description of the anticipated financial effect on the local government which, if the question is an advisory question that proposes a bond, tax, fee or expense, must be prepared in accordance with subsection 4 of NRS 295.230.

(c) At any election other than a primary or general election at which the county clerk gives notice of the election or otherwise performs duties in connection therewith other than the registration of electors and the making of
records of registered voters available for the election, shall provide to each county clerk at least 60 days before the election:

(1) A copy of the question, including an explanation of the question; and

(2) A description of the anticipated financial effect on the local government which, if the question is an advisory question that proposes a bond, tax, fee or expense, must be prepared in accordance with subsection 5 of NRS 295.230.

(d) At any city election at which the city clerk gives notice of the election or otherwise performs duties in connection therewith, shall provide to the city clerk at least 60 days before the election:

(1) A copy of the question, including an explanation of the question; and

(2) A description of the anticipated financial effect on the local government which, if the question is an advisory question that proposes a bond, tax, fee or expense, must be prepared in accordance with subsection 5 of NRS 295.230.

2. An explanation of a question required to be provided to a county clerk pursuant to subsection 1 must be written in easily understood language and include a digest. The digest must include a concise and clear summary of any existing laws directly related to the measure proposed by the question and a summary of how the measure proposed by the question adds to, changes or repeals such existing laws. For a measure that creates, generates, increases or decreases any public revenue in any form, the first paragraph of the digest must include a statement that the measure creates, generates, increases or decreases, as applicable, public revenue.

3. A question may be submitted after the dates specified in subsection 1 if the question is expressly privileged or required to be submitted pursuant to the provisions of Article 19 of the Constitution of the State of Nevada, or pursuant to the provisions of chapter 295 of NRS or any other statute except NRS 295.230, 354.59817, 354.5982, 387.3285 or 387.3287 or any statute that authorizes the governing body to issue bonds upon the approval of the voters.

4. A question that is submitted pursuant to subsection 1 may be withdrawn if the governing body provides notification to each of the county or city clerks within the designated territory of its decision to withdraw the particular question on or before the same dates specified for submission pursuant to paragraph (a), (b), (c) or (d) of subsection 1, as appropriate.

5. A county or city clerk:

(a) Shall assign a unique identification number to a question submitted pursuant to this section; and

(b) May charge any political subdivision, public or quasi-public corporation, or other local agency which submits a question a reasonable fee sufficient to pay for the increased costs incurred in including the question,
explanation, arguments and description of the anticipated financial effect on
the ballot.

Sec. 2. NRS 295.121 is hereby amended to read as follows:

295.121 1. For each initiative, referendum, advisory question or other
question to be placed on the ballot by:
(a) The board, including, without limitation, pursuant to NRS 295.115,
295.160 or 295.230;
(b) The governing body of a [school district,] public library or water
district authorized by law to submit questions to some or all of the qualified
electors or registered voters of the county; [or]
(c) The governing body of a school district, including, without limitation,
pursuant to NRS 295.230; or
(d) A metropolitan police committee on fiscal affairs authorized by law to
submit questions to some or all of the qualified electors or registered voters
of the county,
the board shall, in consultation with the county clerk pursuant to
subsection 5, appoint two committees. Except as otherwise provided in
subsection 2, one committee must be composed of three persons who favor
approval by the voters of the initiative, referendum or other question and the
other committee must be composed of three persons who oppose approval by
the voters of the initiative, referendum or other question.
2. If, after consulting with the county clerk pursuant to subsection 5, the
board is unable to appoint three persons who are willing to serve on a
committee, the board may appoint fewer than three persons to that
committee, but the board must appoint at least one person to each committee
appointed pursuant to this section.
3. With respect to a committee appointed pursuant to this section:
(a) A person may not serve simultaneously on the committee that favors
approval by the voters of an initiative, referendum or other question and the
committee that opposes approval by the voters of that initiative, referendum
or other question.
(b) Members of the committee serve without compensation.
(c) The term of office for each member commences upon appointment and
expires upon the publication of the sample ballot containing the initiative,
referendum or other question.
4. The county clerk may establish and maintain a list of the persons who
have expressed an interest in serving on a committee appointed pursuant to
this section. The county clerk, after exercising due diligence to locate persons
who favor approval by the voters of an initiative, referendum or other
question to be placed on the ballot or who oppose approval by the voters of
an initiative, referendum or other question to be placed on the ballot, may use
the names on a list established pursuant to this subsection to:
(a) Make recommendations pursuant to subsection 5; and
(b) Appoint members to a committee pursuant to subsection 6.
5. Before the board appoints a committee pursuant to this section, the county clerk shall:
   (a) Recommend to the board persons to be appointed to the committee; and
   (b) Consider recommending pursuant to paragraph (a):
      (1) Any person who has expressed an interest in serving on the committee; and
      (2) A person who is a member of an organization that has expressed an interest in having a member of the organization serve on the committee.
6. If the board fails to appoint a committee as required pursuant to this section, the county clerk shall, in consultation with the district attorney, prepare an argument advocating approval by the voters of the initiative, referendum or other question and an argument opposing approval by the voters of the initiative, referendum or other question. Each argument prepared by the county clerk must satisfy the requirements of paragraph (f) of subsection 7 and any rules or regulations adopted by the county clerk pursuant to subsection 8. The county clerk shall not prepare the rebuttal of the arguments required pursuant to paragraph (e) of subsection 7.
7. A committee appointed pursuant to this section:
   (a) Shall elect a chair for the committee;
   (b) Shall meet and conduct its affairs as necessary to fulfill the requirements of this section;
   (c) May seek and consider comments from the general public;
   (d) Shall prepare an argument either advocating or opposing approval by the voters of the initiative, referendum or other question, based on whether the members were appointed to advocate or oppose approval by the voters of the initiative, referendum or other question;
   (e) Shall prepare a rebuttal to the argument prepared by the other committee appointed pursuant to this section;
   (f) Shall address in the argument and rebuttal prepared pursuant to paragraphs (d) and (e):
      (1) The anticipated financial effect of the initiative, referendum or other question;
      (2) The environmental impact of the initiative, referendum or other question; and
      (3) The impact of the initiative, referendum or other question on the public health, safety and welfare; and
   (g) Shall submit the argument and rebuttal prepared pursuant to paragraphs (d), (e) and (f) to the county clerk not later than the date prescribed by the county clerk pursuant to subsection 8.
8. The county clerk shall provide, by rule or regulation:
   (a) The maximum permissible length of an argument or rebuttal prepared pursuant to this section; and
   (b) The date by which an argument or rebuttal prepared pursuant to this section must be submitted by the committee to the county clerk.
9. Upon receipt of an argument or rebuttal prepared pursuant to this section, the county clerk:
   (a) May consult with persons who are generally recognized by a national or statewide organization as having expertise in the field or area to which the initiative, referendum or other question pertains; and
   (b) Shall reject each statement in the argument or rebuttal that the county clerk believes is libelous or factually inaccurate.

The decision of the county clerk to reject a statement pursuant to this subsection is a final decision for purposes of judicial review. Not later than 5 days after the county clerk rejects a statement pursuant to this subsection, the committee may appeal that rejection by filing a complaint in district court. The court shall set the matter for hearing not later than 3 days after the complaint is filed and shall give priority to such a complaint over all other matters pending with the court, except for criminal proceedings.

10. The county clerk shall place in the sample ballot provided to the registered voters of the county each argument and rebuttal prepared pursuant to this section, containing all statements that were not rejected pursuant to subsection 9. The county clerk may revise the language submitted by the committee so that it is clear, concise and suitable for incorporation in the sample ballot, but shall not alter the meaning or effect without the consent of the committee.

11. Except as otherwise provided in this subsection, if a question is to be placed on the ballot by an entity described in paragraph (b), (c) or (d) of subsection 1, the entity must provide a copy and explanation of the question to the county clerk at least 30 days earlier than the date required for the submission of such documents pursuant to subsection 1 of NRS 293.481. This subsection does not apply to a question if the date that the question must be submitted to the county clerk is governed by subsection 3 of NRS 293.481.

12. The provisions of chapter 241 of NRS do not apply to any consultations, deliberations, hearings or meetings conducted pursuant to this section.

Sec. 3. NRS 295.230 is hereby amended to read as follows:

295.230 1. The governing body of a county or city may, at any general election or general city election, ask the advice of the registered voters within its jurisdiction on any question which it has under consideration. Except as otherwise provided in subsection 2, no other political subdivision, public or quasi-public corporation, or other local agency may ask the advice of the registered voters within its jurisdiction on any question which it has under consideration.

2. The governing body of a school district may, at any general election, ask the advice of the registered voters within its jurisdiction on one question which it has under consideration.
3. To place an advisory question on the ballot [at a general election or general city election,] pursuant to subsection 1 or 2, the governing body of a county, [or city or school district, as applicable,] must:
   (a) Adopt a resolution that:
      (1) Sets forth:
         (I) The question, in language indicating clearly that the question is advisory only.
         (II) An explanation of the question that is written in easily understood language and includes a digest. The digest must include a concise and clear summary of any existing laws related to the measure proposed by the question and a summary of how the measure proposed by the question adds to, changes or repeals such existing laws. For a measure that creates, generates, increases or decreases any public revenue in any form, the first paragraph of the digest must include a statement that the measure creates, generates, increases or decreases, as applicable, public revenue.
         (III) A description of the anticipated financial effect on the local government which, if the question is an advisory question that proposes a bond, tax, fee or expense, must be prepared by the governing body of the county, city or school district, as applicable, in accordance with subsection 4.
   (b) Comply with the requirements of paragraph (a) or (d) of subsection 1 of NRS 293.481.

4. A governing body may, at any general election, ask the advice of the registered voters of part of its territory if:
   (a) The advisory question to be submitted affects only that part of its territory; and
   (b) The resolution adopted pursuant to subsection 3 sets forth the boundaries of the area in which the advice of the registered voters will be asked.

4. With respect to a description of the anticipated financial effect that is required in connection with an advisory question:
   (a) If, in the advisory question, the governing body seeks advice on whether bonds should be issued, the description must include any information that is required by law to be included on the sample ballot pursuant to the provisions of law that govern the procedure for issuance of the applicable type of bond.
   (b) If, in the advisory question, the governing body seeks advice on whether a limitation upon revenue from taxes ad valorem should be exceeded, the description must include any information that is required by law to be included on the sample ballot pursuant to the provisions of law that govern the procedure for exceeding that limitation.
(c) If, in the advisory question, the governing body seeks advice on whether a tax other than a property tax described in paragraph (b) should be levied, the description must:
   (1) Identify the average annual cost that is expected to be incurred by the affected taxpayers if the tax were to be levied;
   (2) Specify the period over which the tax is proposed to be levied;
   (3) Disclose whether, in connection with the levy of the tax, revenue bonds are to be sold which will be backed by the full faith and credit of the assessed value of the applicable local government; and
   (4) If applicable, specify whether, in connection with or following the levy of the tax, additional expenses are expected to be incurred to pay for the operation or maintenance of any program or service to be provided from the proceeds of the tax or to pay for the operation or maintenance of any building, equipment, facility, machinery, property, structure, vehicle or other thing of value to be purchased, improved or repaired with the proceeds of the tax.

(d) If, in the advisory question, the governing body seeks advice on whether a fee should be imposed, the description must:
   (1) Identify the average annual cost that is expected to be incurred by the affected users if the fee were to be imposed;
   (2) Specify the period over which the fee is proposed to be imposed; and
   (3) If applicable, specify whether, in connection with or following the imposition of the fee, additional expenses are expected to be incurred to pay for the program or service to be provided from the proceeds of the fee or to pay for the operation or maintenance of any building, equipment, facility, machinery, property, structure, vehicle or other thing of value to be purchased, improved or repaired with the proceeds of the fee.

(e) If, in the advisory question, the governing body seeks advice on whether the applicable local government should incur an expense, the description must:
   (1) Identify the source of revenue that will be used to pay the expense;
   (2) Disclose whether it is expected that the incurring of the expense will require the levy or imposition of a new tax or fee or the increase of an existing tax or fee; and
   (3) If a tax or fee is proposed to be levied or imposed or increased to pay the expense, contain the information required pursuant to paragraph (c) or (d), as applicable.

§ 6. On the sample ballot for the general election or general city election, each advisory question must appear:
(a) With a title in substantially the following form: “Advisory Ballot Question No. ....”; and
(b) With its explanation, arguments and description of the anticipated financial effect.
7. The Committee on Local Government Finance shall prepare sample advisory ballot questions to demonstrate, for each situation enumerated in paragraphs (a) to (e), inclusive, of subsection [4,]
examples of the manner in which descriptions of the anticipated financial effect should be prepared.

Sec. 4. This act becomes effective on July 1, 2015.
Senator Brower moved the adoption of the amendment.
Amendment No. 313 to Senate Bill 19 would limit the governing body of a school district to the submission of one advisory ballot question per general election.
Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 302.
Bill read second time.
The following amendment was proposed by the Committee on Education:
Amendment No. 639.

SUMMARY—Establishes a program by which a child who receives instruction from a certain entity rather than from a public school may receive a grant of money in an amount equal to a certain percentage of the per-pupil amount apportioned to the resident school district of the child. (BDR 34-567)

AN ACT relating to education; establishing a program by which a child who receives instruction from a certain entity rather than from a public school may receive a grant of money in an amount equal to a certain percentage of the per-pupil amount apportioned to the resident school district of the child; providing for the amount of each grant to be deducted from the total apportionment to the school district; providing a child who receives a grant and is not enrolled in a private school with certain rights and responsibilities; and providing other matters properly relating thereto.
Legislative Counsel’s Digest:
Existing law requires each child between the ages of 7 and 18 years to attend a public school of the State, attend a private school or be homeschooled. (NRS 392.040, 392.070) Existing law also provides for each school district to receive certain funding from local sources and to receive from the State an apportionment per pupil of basic support for the schools in the school district. (NRS 387.1235, 387.124) This bill establishes a program by which a child enrolled in a private school may receive a grant of money in an amount equal to 90 percent , or, if the child has special needs or a household income that is less than 185 percent of the federally designated level signifying poverty, 100 percent, of the sum of the amounts of local and basic support per pupil. Sections 7 and 8 of this bill allow a child to enroll part-time in a public school while receiving part of his or her instruction from an entity that participates in the program to receive a partial grant. Money from the grant may be used only for specified purposes.
Section 7 of this bill authorizes the parent of a child who is required to attend school and who has attended a public school for 100 consecutive school days to enter into an agreement with the Department of Education, according to which the child will be enrolled in a private school, receive instruction from certain entities and receive the grant. Each agreement is valid for 1 school year but may be terminated early and may be renewed for any subsequent school year. Not entering into or renewing an agreement for any given school year does not preclude the parent from entering into or renewing an agreement for any subsequent year.

If such an agreement is entered into, an education savings account must be opened by the parent on behalf of the child. Under section 8 of this bill, for any school year for which the agreement is entered into or renewed, the State Treasurer must deposit the amount of the grant into the education savings account. Section 8 also allows any money remaining in an education savings account when the child graduates high school to be used for postsecondary education in this State. Such money reverts to the State General Fund 4 years after the date on which the child graduated from high school if not used unless the State Treasurer extends the period upon a showing of good cause. Under section 16 of this bill, the amount of the grant must be deducted from the total apportionment to the resident school district of the child on whose behalf the grant is made. Section 8 provides that the State Treasurer may deduct from the amount of the grant not more than 3 percent for the administrative costs of implementing the provisions of this bill.

Section 9 of this bill lists the authorized uses of grant money deposited in an education savings account. Section 9 also prohibits certain refunds, rebates or sharing of payments made from money in an education savings account.

Under section 10 of this bill, the State Treasurer may qualify private financial management firms to manage the education savings accounts. The State Treasurer must establish reasonable fees for the management of the education savings accounts. Those fees may be paid from the money deposited in an education savings account.

Section 11 of this bill provides requirements for a private school, college or university, program of distance education, accredited tutor or tutoring facility or the parent of a child to participate in the grant program established by this bill by providing instruction to children on whose behalf the grants are made. The State Treasurer may refuse to allow such an entity to continue to participate in the program if the State Treasurer finds that the entity fails to comply with applicable provisions of law or has failed to provide educational services to a child who is participating in the program. Section
16.2 of this bill authorizes a child who is participating in the program to enroll in a program of distance education if the child is only receiving a portion of his or her instruction from a participating entity.

Under section 12 of this bill, each child on whose behalf a grant is made must take certain standardized examinations in mathematics and English language arts. Subject to applicable federal privacy laws, a participating entity must provide those test results to the Department of Education, which must aggregate the results and publish data on the results and on the academic progress of children on behalf of whom grants are made. Under section 13 of this bill, the State Treasurer must make available a list of all entities who are participating in the grant program, other than a parent of a child. Section 13 also requires the Department to require resident school districts to provide certain academic records to participating entities.

Sections 15.1 and 16.4 of this bill provide that a child who participates in the program but who does not enroll in a private school is an opt-in child. Section 16.4 requires the parent or guardian of such a child to notify the school district where the child would otherwise attend.

Existing law requires the parent of a homeschooled child who wishes to participate in activities at a public school, including a charter school, through a school district or through the Nevada Interscholastic Activities Association to file a notice of intent to participate with the school district in which the child resides. (NRS 386.430, 386.580, 392.705) Section 16.5 of this bill enacts similar requirements for the parents of an opt-in child who wishes to participate with the school district. Sections 15.2 and 15.3 of this bill authorize an opt-in child to participate in the Nevada Youth Legislature. Sections 15.4-15.8 and 16.7 of this bill authorize an opt-in child to participate in activities at a public school, through a school district or through the Nevada Interscholastic Activities Association if the parent files a notice of intent to participate. Section 16.6 of this bill requires an opt-in child who wishes to enroll in a public high school to provide proof demonstrating competency in courses required for promotion to high school similar to that required of a homeschooled child who wishes to enroll in a public high school.

Section 14 of this bill provides that the provisions of this bill may not be deemed to infringe on the independence or autonomy of any private school or to make the actions of a private school the actions of the government of this State. Section 15.9 of this bill exempts grants deposited in an education savings account from a prohibition on the use of public school funds for other purposes.

Existing law requires children who are suspended or expelled from a public school for certain reasons to enroll in a private school or program of independent study or be homeschooled. (NRS 392.466) Section 16.8 of this bill authorizes such a child to be an opt-in child.
THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 385 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 15, inclusive, of this act.

Sec. 2. As used in sections 2 to 15, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 to 6, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 3. “Education savings account” means an account established for a child pursuant to section 7 of this act.

Sec. 3.5. “Eligible institution” means:
1. A university, state college or community college within the Nevada System of Higher Education; or
2. Any other college or university that:
   (a) Was originally established in, and is organized under the laws of, this State;
   (b) Is exempt from taxation pursuant to 26 U.S.C. § 501(c)(3); and
   (c) Is accredited by a regional accrediting agency recognized by the United States Department of Education.

Sec. 4. “Parent” means the parent, custodial parent, legal guardian or other person in this State who has control or charge of a child and the legal right to direct the education of the child.

Sec. 5. “Participating entity” means a private school that is licensed pursuant to chapter 394 of NRS, the governing body of which, or exempt from such licensing pursuant to NRS 394.211, an eligible institution, a program of distance education that is not offered by a public school or the Department, a tutor or tutoring agency or a parent that has provided to the [Department] the notification State Treasurer the application described in subsection 1 of section 11 of this act.

Sec. 5.5. “Program of distance education” has the meaning ascribed to it in NRS 388.829.

Sec. 6. “Resident school district” means the school district in which a child would be enrolled based on his or her residence.

Sec. 7. 1. Except as otherwise provided in subsection 10, the parent of any child required by NRS 392.040 to attend a public school who has been enrolled in a public school in this State during the period immediately preceding the establishment of an education savings account pursuant to this section for not less than 100 school days without interruption may establish an education savings account for the child by entering into a written agreement with the [Department] State Treasurer, in a manner and on a form provided by the [Department] State Treasurer. The agreement must provide that:
   (a) The child will enroll in a participating school, receive instruction in this State from a participating entity for the school year for which the agreement applies;
(b) The child will receive a grant, in the form of money deposited pursuant to section 8 of this act in the education savings account established for the child pursuant to subsection 2. 

c) The money in the education savings account established for the child must be expended only as authorized by section 9 of this act. 

d) The State Treasurer will freeze money in the education savings account during any break in the school year, including any break between school years.

2. If an agreement is entered into pursuant to subsection 1, an education savings account must be established by the parent on behalf of the child. The account must be maintained with a financial management firm qualified by the State Treasurer pursuant to section 10 of this act or with a bank or other financial institution.

3. The failure to enter into an agreement pursuant to subsection 1 for any school year for which a child is required by NRS 392.040 to attend a public school does not preclude the parent of the child from entering into an agreement for a subsequent school year.

4. An agreement entered into pursuant to subsection 1 is valid for 1 school year but may be terminated early. If the agreement is terminated early, the child may not receive instruction from a public school in this State until the end of the period for which the last deposit was made into the education savings account pursuant to section 8 of this act, except to the extent the pupil was allowed to receive instruction from a public school under the agreement.

5. An agreement terminates automatically if the child no longer resides in this State. In such a case, any money remaining in the education savings account of the child reverts to the State General Fund.

6. An agreement may be renewed for any school year for which the child is required by NRS 392.040 to attend a public school. The failure to renew an agreement for any school year does not preclude the parent of the child from renewing the agreement for any subsequent school year.

7. A parent may enter into a separate agreement pursuant to subsection 1 for each child of the parent.

8. Not more than one education savings account may be established for a child.

9. Except as otherwise provided in subsection 10, the State Treasurer shall enter into or renew an agreement pursuant to subsection 1 or 4, with any parent of a child required by NRS 392.040 to attend a public school who applies to the State Treasurer in the manner provided by the State Treasurer. The State Treasurer shall make the application available on the Internet website of the State Treasurer.

10. Upon entering into or renewing an agreement pursuant to subsection 1 or 4, this section, the State Treasurer shall...
provide to the parent who enters into or renews the agreement a written explanation of the authorized uses, pursuant to section 9 of this act, of the money in an education savings account and the responsibilities of the parent and the [Department] State Treasurer pursuant to the agreement and sections 2 to 15, inclusive, of this act.

11. A parent may not establish an education savings account for a child who will be homeschooled, who will receive instruction outside this State or who will remain enrolled full-time in a public school, regardless of whether such a child receives instruction from a participating entity. A parent may establish an education savings account for a child who receives a portion of his or her instruction from a public school and a portion of his or her instruction from a participating entity.

Sec. 8. 1. If a parent enters into or renews an agreement pursuant to section 7 of this act, a grant of money on behalf of the child must be deposited in the education savings account of the child.

2. Except as otherwise provided in subsection 3, subsections 3 and 4, the grant required by subsection 1 must, for the school year for which the grant is made, be in an amount equal to:

(a) For a child with special needs or a child with a household income that is less than 185 percent of the federally designated level signifying poverty, 100 percent of the sum of the basic support per pupil in the county in which the child resides, plus the amount of local funds available per pupil pursuant to NRS 387.1235; and

(b) For all other children, 90 percent of the sum of the basic support per pupil in the county in which the child resides plus the amount of local funds available per pupil pursuant to NRS 387.1235.

3. If a child receives a portion of his or her instruction from a participating entity and a portion of his or her instruction from a public school, for the school year for which the grant is made, the grant required by subsection 1 must be in a pro rata based on the percentage of the total instruction provided to the child by the participating entity in proportion to the total instruction provided to the child.

4. The [Department] State Treasurer may deduct not more than 3 percent of each grant for the administrative costs of implementing the provisions of sections 2 to 15, inclusive, of this act.

5. The [Department] State Treasurer shall deposit the money for each grant in quarterly installments pursuant to a schedule determined by the [Department of State Treasurer].

6. Any money remaining in an education savings account:

(a) At the end of a school year may be carried forward to the next school year if the agreement entered into pursuant to section 7 of this act is renewed.

(b) When an agreement entered into pursuant to section 7 of this act is not renewed or terminated while the child is still required by NRS 392.040 to
attend a public school, reverts to the State General Fund at the end of the last day of the agreement.

(c) When the child for whom the account was established graduates from high school, may be carried forward and used in the manner authorized in section 9 of this act. Such money reverts to the State General Fund 4 years after the date on which the child graduates from high school if not used unless the State Treasurer allows the money to be carried forward for a longer period upon a showing of good cause. Good cause may be established if the person for whom the account was established has been actively serving or participating in a charitable, religious or public service assignment or mission and as a result was prevented from using the money in the account within 4 years.

7. A child on whose behalf a grant is made pursuant to this section must be counted in the enrollment of his or her resident school district only for the purpose of calculating the amount described in subsection 2.

Sec. 9. 1. 

1. Except as otherwise provided in subsection 2, money deposited in an education savings account must be used only to pay for:

(a) Tuition and fees at a school that is a participating entity in which the child is enrolled;
(b) Textbooks required for a child who enrolls in a school that is a participating entity;
(c) Tutoring or other teaching services provided by a tutor or tutoring facility that is a participating entity;
(d) Tuition and fees for a program that is not offered by a public school or the Department of distance education that is a participating entity;
(e) Fees for any national norm-referenced achievement examination, advanced placement or similar examination or standardized examination required for admission to a college or university;
(f) Payments to the Nevada Higher Education Prepaid Tuition Trust Fund created by NRS 353B.140 pursuant to a prepaid tuition contract entered into on behalf of the child or the Nevada College Savings Trust Fund created by NRS 353B.340 pursuant to a savings trust agreement entered into on behalf of the child;
(g) If the child is a pupil with a disability, as that term is defined in NRS 388.440, fees for any special instruction or special services provided to the child;
(h) Tuition and fees at an eligible institution that is a participating entity;
(i) Textbooks required for the child at an eligible institution, or that term is defined in NRS 396.916, or that is a participating entity or to receive instruction from any other participating entity;

(j) Fees for the management of the education savings account, as described in section 10 of this act;

(k) Transportation required for the child to travel to and from a participating entity or any combination of participating entities up to but not to exceed $750 per school year; or

(l) Purchasing a curriculum or any supplemental materials required to administer the curriculum.

2. Money that is carried forward in an education savings account after the child for whom the account was established graduates from high school pursuant to section 8 of this act may be used to pay for any postsecondary education that is provided by an institution or entity located in this State.

3. A participating entity that receives a payment authorized by subsection 1 shall not:

(a) Refund any portion of the payment to the parent who made the payment, unless the refund is for an item that is being returned or an item or service that has not been provided; or

(b) Rebate or otherwise share any portion of the payment with the parent who made the payment.

4. A parent who receives a refund pursuant to subsection 3 shall deposit the refund in the education savings account from which the money refunded was paid.

5. Nothing in this section shall be deemed to prohibit a parent or child from making a payment for any tuition, fee, service or product described in subsection 1 from a source other than the education savings account of the child.

Sec. 10. 1. The State Treasurer shall qualify one or more private financial management firms to manage education savings accounts and shall establish reasonable fees, based on market rates, for the management of education savings accounts.

2. An education savings account must be audited randomly each year by a certified or licensed public accountant. The State Treasurer may provide for additional audits of an education savings account as it determines necessary.

3. If the State Treasurer determines that there has been substantial misuse of the money in an education savings account, the State Treasurer may:

(a) Freeze or dissolve the account, subject to any regulations adopted by the State Treasurer providing for notice of such action and opportunity to respond to the notice; and

(b) Give notice of his or her determination to the Attorney General or the district attorney of the county in which the parent resides.
Sec. 11. 1. The governing body of a private school licensed pursuant to chapter 394 may notify the Department, in a manner provided for by the Department, that the governing body desires to participate in the grant program provided for in sections 2 to 15, inclusive, of this act by accepting payments for tuition and fees made from education savings accounts and otherwise complying with the provisions of sections 2 to 15, inclusive, of this act. The following persons may become a participating entity by submitting an application demonstrating that the person is:
   (a) A private school licensed pursuant to chapter 394 of NRS or exempt from such licensing pursuant to NRS 394.211;
   (b) An eligible institution;
   (c) A program of distance education that is not operated by a public school or the Department;
   (d) A tutor or tutoring facility that is accredited by a state, regional or national accrediting organization; or
   (e) The parent of a child.

2. The State Treasurer shall approve an application submitted pursuant to subsection 1 or request additional information to demonstrate that the person meets the criteria to serve as a participating entity. If the applicant is unable to provide such additional information, the State Treasurer may deny the application.

3. If it is reasonably expected that a participating [school] entity will receive, from payments made from education savings accounts, more than $50,000 during any school year, the participating [school] entity shall annually, on or before the date prescribed by the [Department] State Treasurer by regulation:
   (a) Post a surety bond in an amount equal to the amount reasonably expected to be paid to the participating [school] entity from education savings accounts during the school year; or
   (b) Provide evidence satisfactory to the [Department] State Treasurer that the participating [school] entity otherwise has unencumbered assets sufficient to pay to the [Department] State Treasurer an amount equal to the amount described in paragraph (a).

4. Each participating [school] entity that accepts payments made from education savings accounts shall provide a receipt for each such payment to the parent who makes the payment.

5. The [Department] State Treasurer may refuse to allow [a private school licensed pursuant to chapter 394] an entity described in subsection 1 to participate or continue to participate in the grant program provided for in sections 2 to 15, inclusive, of this act if the [Department] State Treasurer determines that the [private school] entity:
   (a) Has routinely failed to comply with the provisions of sections 2 to 15, inclusive, of this act; or
   (b) Has failed to provide any educational services required by law to a child [enrolled at the private school] receiving instruction from the entity if
the [school] entity is accepting payments made from the education savings account of the child.

5. 6. If the [Department] State Treasurer takes an action described in subsection 4 against a [private school] entity described in subsection 1, the [Department] State Treasurer shall provide immediate notice of the action to each parent of a child receiving instruction from the [private school] entity who has entered into or renewed an agreement pursuant to section 7 of this act and on behalf of whose child a grant of money has been deposited pursuant to section 8 of this act.

Sec. 12. 1. Each participating [school] entity that accepts payments for tuition and fees made from education savings accounts shall:
   (a) Ensure that each child on whose behalf a grant of money has been deposited pursuant to section 8 of this act and who is receiving instruction from the participating [school] entity takes:
      (1) Any examinations in mathematics and English language arts required for pupils of the same grade pursuant to chapter 389 of NRS; or
      (2) Norm-referenced achievement examinations in mathematics and English language arts each school year;
   (b) Provide for value-added assessments of the results of the examinations described in paragraph (a); and
   (c) Subject to the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g, and any regulations adopted pursuant thereto, provide the results of the examinations described in paragraph (a) to the Department or an organization designated by the Department pursuant to subsection 4.

2. The Department shall:
   (a) Aggregate the examination results provided pursuant to subsection 1 according to the grade level, gender, race and family income level of each child whose examination results are provided; and
   (b) Subject to the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g, and any regulations adopted pursuant thereto, make available on the Internet website of the Department:
      (1) The aggregated results and any associated learning gains; and
      (2) After 3 school years for which examination data has been collected, the graduation rates, as applicable, of children whose examination results are provided.

3. The [Department] State Treasurer shall administer an annual survey of parents who enter into or renew an agreement pursuant to section 7 of this act. The survey must ask each parent to indicate the number of years the parent has entered into or renewed such an agreement and to express:
   (a) The relative satisfaction of the parent with the grant program established pursuant to sections 2 to 15, inclusive, of this act; and
   (b) The opinions of the parent regarding any topics, items or issues that the [Department] State Treasurer determines may aid the [Department] State Treasurer in evaluating and improving the effectiveness of the grant program established pursuant to sections 2 to 15, inclusive, of this act.
4. The Department may arrange for a third-party organization to perform the duties of the Department prescribed by this section.

Sec. 13. 1. The Department shall annually make available a list of participating entities, other than any parent of a child.

2. Subject to the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. § 1232g, and any regulations adopted pursuant thereto, the Department shall annually require the resident school district of each child on whose behalf a grant of money is made pursuant to section 8 of this act to provide to the participating entity any educational records of the child.

Sec. 14. Except as otherwise provided in sections 2 to 15, inclusive, of this act, nothing in the provisions of sections 2 to 15, inclusive, of this act, shall be deemed to limit the independence or autonomy of a participating entity or to make the actions of a participating entity the actions of the State Government.

Sec. 15. The State Treasurer shall adopt any regulations necessary or convenient to carry out the provisions of sections 2 to 15, inclusive, of this act.

Sec. 15.1. NRS 385.007 is hereby amended to read as follows:

385.007 As used in this title, unless the context otherwise requires:
1. "Charter school" means a public school that is formed pursuant to the provisions of NRS 386.490 to 386.649, inclusive.
2. "Department" means the Department of Education.
3. "Homeschooled child" means a child who receives instruction at home and who is exempt from compulsory attendance pursuant to NRS 392.070, but does not include an opt-in child.
5. "Opt-in child" means a child for whom an education savings account has been established pursuant to section 7 of this act, who is not enrolled full-time in a public or private school and who receives all or a portion of his or her instruction from a participating entity, as defined in section 5 of this act.
6. "Public schools" means all kindergartens and elementary schools, junior high schools and middle schools, high schools, charter schools and any other schools, classes and educational programs which receive their support through public taxation and, except for charter schools, whose textbooks and courses of study are under the control of the State Board.
7. "State Board" means the State Board of Education.
8. "University school for profoundly gifted pupils" has the meaning ascribed to it in NRS 392A.040.

Sec. 15.2. NRS 385.525 is hereby amended to read as follows:

385.525 1. To be eligible to serve on the Youth Legislature, a person:
(a) Must be:
(1) A resident of the senatorial district of the Senator who appoints him or her;
(2) Enrolled in a public school or private school located in the senatorial district of the Senator who appoints him or her; or
(3) A homeschooled child or opt-in child who is otherwise eligible to be enrolled in a public school in the senatorial district of the Senator who appoints him or her;
(b) Except as otherwise provided in subsection 3 of NRS 385.535, must be:
(1) Enrolled in a public school or private school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed; or
(2) A homeschooled child or opt-in child who is otherwise eligible to enroll in a public school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed; and
(c) Must not be related by blood, adoption or marriage within the third degree of consanguinity or affinity to the Senator who appoints him or her or to any member of the Assembly who collaborated to appoint him or her.
2. If, at any time, a person appointed to the Youth Legislature changes his or her residency or changes his or her school of enrollment in such a manner as to render the person ineligible under his or her original appointment, the person shall inform the Board, in writing, within 30 days after becoming aware of such changed facts.
3. A person who wishes to be appointed or reappointed to the Youth Legislature must submit an application on the form prescribed pursuant to subsection 4 to the Senator of the senatorial district in which the person resides, is enrolled in a public school or private school or, if the person is a homeschooled child or opt-in child, the senatorial district in which he or she is otherwise eligible to be enrolled in a public school. A person may not submit an application to more than one Senator in a calendar year.
4. The Board shall prescribe a form for applications submitted pursuant to this section, which must require the signature of the principal of the school in which the applicant is enrolled or, if the applicant is a homeschooled child or opt-in child, the signature of a member of the community in which the applicant resides other than a relative of the applicant.
Sec. 15.3. NRS 385.535 is hereby amended to read as follows:
385.535 1. A position on the Youth Legislature becomes vacant upon:
(a) The death or resignation of a member.
(b) The absence of a member for any reason from:
(1) Two meetings of the Youth Legislature, including, without limitation, meetings conducted in person, meetings conducted by teleconference, meetings conducted by videoconference and meetings
conducted by other electronic means;
(2) Two activities of the Youth Legislature;
(3) Two event days of the Youth Legislature; or
(4) Any combination of absences from meetings, activities or event
days of the Youth Legislature, if the combination of absences therefrom
equals two or more,
unless the absences are, as applicable, excused by the Chair or Vice Chair
of the Board.
(c) A change of residency or a change of the school of enrollment of a
member which renders that member ineligible under his or her original
appointment.

2. In addition to the provisions of subsection 1, a position on the Youth
Legislature becomes vacant if:
(a) A member of the Youth Legislature graduates from high school or
otherwise ceases to attend public school or private school for any reason
other than to become a homeschooled child or opt-in child; or
(b) A member of the Youth Legislature who is a homeschooled child or
opt-in child completes an educational plan of instruction for grade 12 or
otherwise ceases to be a homeschooled child or opt-in child for any reason
other than to enroll in a public school or private school.
3. A vacancy on the Youth Legislature must be filled:
(a) For the remainder of the unexpired term in the same manner as the
original appointment, except that, if the remainder of the unexpired term is
less than 1 year, the member of the Senate who made the original
appointment may appoint a person who:
(1) Is enrolled in a public school or private school in this State in grade 12
or who is a homeschooled child or opt-in child who is otherwise eligible
to enroll in a public school in this State in grade 12; and
(2) Satisfies the qualifications set forth in paragraphs (a) and (c) of
subsection 1 of NRS 385.525.
(b) Insofar as is practicable, within 30 days after the date on which the
vacancy occurs.
4. As used in this section, “event day” means any single calendar day on
which an official, scheduled event of the Youth Legislature is held,
including, without limitation, a course of instruction, a course of orientation,
a meeting, a seminar or any other official, scheduled activity.
Sec. 15.4. NRS 386.430 is hereby amended to read as follows:
386.430 1. The Nevada Interscholastic Activities Association shall
adopt rules and regulations in the manner provided for state agencies by
chapter 233B of NRS as may be necessary to carry out the provisions of NRS
386.420 to 386.470, inclusive. The regulations must include provisions
governing the eligibility and participation of homeschooled children and opt-
in children in interscholastic activities and events. In addition to the
regulations governing eligibility:

(a) A homeschooled child who wishes to participate must have on file
with the school district in which the child resides a current notice of intent of
a homeschooled child to participate in programs and activities pursuant to
NRS 392.705.

(b) An opt-in child who wishes to participate must have on file with the
school district in which the child resides a current notice of intent of an opt-
in child to participate in programs and activities pursuant to section 16.5 of
this act.

2. The Nevada Interscholastic Activities Association shall adopt
regulations setting forth:

(a) The standards of safety for each event, competition or other activity
engaged in by a spirit squad of a school that is a member of the Nevada
Interscholastic Activities Association, which must substantially comply with
the spirit rules of the National Federation of State High School Associations,
or its successor organization; and

(b) The qualifications required for a person to become a coach of a spirit
squad.

3. If the Nevada Interscholastic Activities Association intends to adopt,
repeal or amend a policy, rule or regulation concerning or affecting
homeschooled children, the Association shall consult with the Northern
Nevada Homeschool Advisory Council and the Southern Nevada
Homeschool Advisory Council, or their successor organizations, to provide
those Councils with a reasonable opportunity to submit data, opinions or
arguments, orally or in writing, concerning the proposal or change. The
Association shall consider all written and oral submissions respecting the
proposal or change before taking final action.

4. As used in this section, “spirit squad” means any team or other group
of persons that is formed for the purpose of:

(a) Leading cheers or rallies to encourage support for a team that
participates in a sport that is sanctioned by the Nevada Interscholastic
Activities Association; or

(b) Participating in a competition against another team or other group of
persons to determine the ability of each team or group of persons to engage
in an activity specified in paragraph (a).

Sec. 15.5. NRS 386.462 is hereby amended to read as follows:

386.462 1. A homeschooled child must be allowed to participate in
interscholastic activities and events in accordance with the regulations
adopted by the Nevada Interscholastic Activities Association pursuant to
NRS 386.430 if a notice of intent of a homeschooled child to participate in
programs and activities is filed for the child with the school district in which
the child resides for the current school year pursuant to NRS 392.705.
2. An opt-in child must be allowed to participate in interscholastic activities and events in accordance with the regulations adopted by the Nevada Interscholastic Activities Association pursuant to NRS 386.430 if a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to section 16.5 of this act.

3. The provisions of NRS 386.420 to 386.470, inclusive, and the regulations adopted pursuant thereto that apply to pupils enrolled in public schools who participate in interscholastic activities and events apply in the same manner to homeschooled children and opt-in children who participate in interscholastic activities and events, including, without limitation, provisions governing:
   (a) Eligibility and qualifications for participation;
   (b) Fees for participation;
   (c) Insurance;
   (d) Transportation;
   (e) Requirements of physical examination;
   (f) Responsibilities of participants;
   (g) Schedules of events;
   (h) Safety and welfare of participants;
   (i) Eligibility for awards, trophies and medals;
   (j) Conduct of behavior and performance of participants; and
   (k) Disciplinary procedures.

Sec. 15.6. NRS 386.463 is hereby amended to read as follows:

386.463 No challenge may be brought by the Nevada Interscholastic Activities Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or private school, or any other entity or person claiming that an interscholastic activity or event is invalid because homeschooled children or opt-in children are allowed to participate in the interscholastic activity or event.

Sec. 15.7. NRS 386.464 is hereby amended to read as follows:

386.464 A school district, public school or private school shall not prescribe any regulations, rules, policies, procedures or requirements governing the:

1. Eligibility of homeschooled children or opt-in children to participate in interscholastic activities and events pursuant to NRS 386.420 to 386.470, inclusive; or

2. Participation of homeschooled children or opt-in children in interscholastic activities and events pursuant to NRS 386.420 to 386.470, inclusive, that are more restrictive than the provisions governing eligibility and participation prescribed by the Nevada Interscholastic Activities Association.
pursuant to NRS 386.430.

Sec. 15.8. NRS 386.580 is hereby amended to read as follows:

386.580 1. An application for enrollment in a charter school may be submitted to the governing body of the charter school by the parent or legal guardian of any child who resides in this State. Except as otherwise provided in this subsection and subsection 2, a charter school shall enroll pupils who are eligible for enrollment in the order in which the applications are received. If the board of trustees of the school district in which the charter school is located has established zones of attendance pursuant to NRS 388.040, the charter school shall, if practicable, ensure that the racial composition of pupils enrolled in the charter school does not differ by more than 10 percent from the racial composition of pupils who attend public schools in the zone in which the charter school is located. If a charter school is sponsored by the board of trustees of a school district located in a county whose population is 100,000 or more, except for a program of distance education provided by the charter school, the charter school shall enroll pupils who are eligible for enrollment who reside in the school district in which the charter school is located before enrolling pupils who reside outside the school district. Except as otherwise provided in subsection 2, if more pupils who are eligible for enrollment apply for enrollment in the charter school than the number of spaces which are available, the charter school shall determine which applicants to enroll pursuant to this subsection on the basis of a lottery system.

2. Before a charter school enrolls pupils who are eligible for enrollment, a charter school may enroll a child who:

(a) Is a sibling of a pupil who is currently enrolled in the charter school;

(b) Was enrolled, free of charge and on the basis of a lottery system, in a prekindergarten program at the charter school or any other early childhood educational program affiliated with the charter school;

(c) Is a child of a person who is:

(1) Employed by the charter school;

(2) A member of the committee to form the charter school; or

(3) A member of the governing body of the charter school;

(d) Is in a particular category of at-risk pupils and the child meets the eligibility for enrollment prescribed by the charter school for that particular category; or

(e) Resides within the school district and within 2 miles of the charter school if the charter school is located in an area that the sponsor of the charter school determines includes a high percentage of children who are at risk. If space is available after the charter school enrolls pupils pursuant to this paragraph, the charter school may enroll children who reside outside the school district but within 2 miles of the charter school if the charter school is located within an area that the sponsor determines includes a high percentage of children who are at risk.
If more pupils described in this subsection who are eligible apply for enrollment than the number of spaces available, the charter school shall determine which applicants to enroll pursuant to this subsection on the basis of a lottery system.

3. Except as otherwise provided in subsection 8, a charter school shall not accept applications for enrollment in the charter school or otherwise discriminate based on the:
   (a) Race;
   (b) Gender;
   (c) Religion;
   (d) Ethnicity; or
   (e) Disability,
   of a pupil.

4. If the governing body of a charter school determines that the charter school is unable to provide an appropriate special education program and related services for a particular disability of a pupil who is enrolled in the charter school, the governing body may request that the board of trustees of the school district of the county in which the pupil resides transfer that pupil to an appropriate school.

5. Except as otherwise provided in this subsection, upon the request of a parent or legal guardian of a child who is enrolled in a public school of a school district or a private school, or a parent or legal guardian of a homeschooled child or opt-in child, the governing body of the charter school shall authorize the child to participate in a class that is not otherwise available to the child at his or her school, homeschool or from his or her participating entity, as defined in section 5 of this act, or participate in an extracurricular activity at the charter school if:
   (a) Space for the child in the class or extracurricular activity is available;
   (b) The parent or legal guardian demonstrates to the satisfaction of the governing body that the child is qualified to participate in the class or extracurricular activity; and
   (c) The child is: (1) A homeschooled child and a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 392.705; or
       (2) An opt-in child and a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to section 16.5 of this act.
   If the governing body of a charter school authorizes a child to participate in a class or extracurricular activity pursuant to this subsection, the governing body is not required to provide transportation for the child to attend the class or activity. A charter school shall not authorize such a child to participate in a
class or activity through a program of distance education provided by the charter school pursuant to NRS 388.820 to 388.874, inclusive.

6. The governing body of a charter school may revoke its approval for a child to participate in a class or extracurricular activity at a charter school pursuant to subsection 5 if the governing body determines that the child has failed to comply with applicable statutes, or applicable rules and regulations. If the governing body so revokes its approval, neither the governing body nor the charter school is liable for any damages relating to the denial of services to the child.

7. The governing body of a charter school may, before authorizing a homeschooled child or opt-in child to participate in a class or extracurricular activity pursuant to subsection 5, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

8. This section does not preclude the formation of a charter school that is dedicated to provide educational services exclusively to pupils:
   (a) With disabilities;
   (b) Who pose such severe disciplinary problems that they warrant a specific educational program, including, without limitation, a charter school specifically designed to serve a single gender that emphasizes personal responsibility and rehabilitation; or
   (c) Who are at risk.

If more eligible pupils apply for enrollment in such a charter school than the number of spaces which are available, the charter school shall determine which applicants to enroll pursuant to this subsection on the basis of a lottery system.

Sec. 15.9. NRS 387.045 is hereby amended to read as follows:

387.045 Except as otherwise provided in sections 2 to 15, inclusive, of this act:

1. No portion of the public school funds or of the money specially appropriated for the purpose of public schools shall be devoted to any other object or purpose.

2. No portion of the public school funds shall in any way be segregated, divided or set apart for the use or benefit of any sectarian or secular society or association.

Sec. 15.95. NRS 387.1233 is hereby amended to read as follows:

387.1233 1. Except as otherwise provided in subsection 2, basic support of each school district must be computed by:
   (a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:
   (1) Six-tenths the count of pupils enrolled in the kindergarten department on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside
in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year.

(2) The count of pupils enrolled in grades 1 to 12, inclusive, on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year and the count of pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

(3) The count of pupils not included under subparagraph (1) or (2) who are enrolled full-time in a program of distance education provided by that school district or a charter school located within that school district on the last day of the first school month of the school district for the school year.

(4) 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 or receiving a portion of his or her instruction from a participating entity, as defined in section 5 of this act, on the last day of the first school month of the school district for the school year, 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 (2).

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school or receiving a portion of his or her instruction from a participating entity, as defined in section 5 of this act, on the last day of the first school month of the school district for the school year, 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 (2).

(5) The count of pupils not included under subparagraph (1), (2), (3) or (4), who are receiving special education pursuant to the provisions of NRS 388.440 to 388.520, inclusive, on the last day of the first school month of the school district for the school year, excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.475 on that day.

(6) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of NRS 388.475 on the last day of the first school month of the school district for the school year.

(7) 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
on the last day of the first school month of the school district for the school year.

(8) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 5 of NRS 386.560, subsection 5 of NRS 386.580 or subsection 3 of NRS 392.070, 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 (2).

(b) Multiplying the number of special education program units maintained and operated by the amount per program established for that school year.

(c) Adding the amounts computed in paragraphs (a) and (b).

2. 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 on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the largest number from among the immediately preceding 2 school years must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

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 on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account 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 2 or 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 Distributive School Account to that school district or charter school pursuant to NRS 387.124.

5. 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.

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

7. 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 basic support pursuant to this section.

Sec. 16. NRS 387.124 is hereby amended to read as follows:

387.124 Except as otherwise provided in this section and NRS 387.528:
1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. Except as otherwise provided in NRS 387.1244, the apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to NRS 387.1235, minus all the funds attributable to pupils who reside in the county but attend a charter school, all the funds attributable to pupils who reside in the county and are enrolled full-time or part-time in a program of distance education provided by another school district or a charter school, and all the funds attributable to pupils who are enrolled in a university school for profoundly gifted pupils located in the county and all the funds deposited in education savings accounts established on behalf of children who reside in the county pursuant to sections 2 to 15, inclusive, of this act. No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support.

2. Except as otherwise provided in subsection 3 and NRS 387.1244, the apportionment to a charter school, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides minus the sponsorship fee prescribed by NRS 386.570 and minus all the funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school. If the apportionment per pupil to a charter school is more than the amount to be apportioned to the school district in which a pupil who is enrolled in the charter school resides, the school district in which the pupil resides shall pay the difference directly to the charter school.

3. Except as otherwise provided in NRS 387.1244, the apportionment to a charter school that is sponsored by the State Public Charter School Authority or by a college or university within the Nevada System of Higher
Education, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the pupil resides, minus the sponsorship fee prescribed by NRS 386.570 and minus all funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school.

4. Except as otherwise provided in NRS 387.1244, in addition to the apportionments made pursuant to this section, an apportionment must be made to a school district or charter school that provides a program of distance education for each pupil who is enrolled part-time in the program. The amount of the apportionment must be equal to the percentage of the total time services are provided to the pupil through the program of distance education per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2) of paragraph (a) of subsection 1 of NRS 387.1233 for the school district in which the pupil resides.

5. The governing body of a charter school may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the charter school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A charter school may receive all four apportionments in advance in its first year of operation.

6. Except as otherwise provided in NRS 387.1244, the apportionment to a university school for profoundly gifted pupils, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the university school is located plus the amount of local funds available per pupil pursuant to NRS 387.1235 and all other funds available for public schools in the county in which the university school is located. If the apportionment per pupil to a university school for profoundly gifted pupils is more than the amount to be apportioned to the school district in which the university school is located, the school district shall pay the difference directly to the university school. The governing body of a university school for profoundly gifted pupils may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the university school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A university school for profoundly gifted pupils may receive all four apportionments in advance in its first year of operation.
7. The Superintendent of Public Instruction shall apportion, on or before August 1 of each year, the money designated as the “Nutrition State Match” pursuant to NRS 387.105 to those school districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district’s reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

8. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

Sec. 16.2. NRS 388.850 is hereby amended to read as follows:

388.850 1. A pupil may enroll in a program of distance education unless:
(a) Pursuant to this section or other specific statute, the pupil is not eligible for enrollment or the pupil’s enrollment is otherwise prohibited;
(b) The pupil fails to satisfy the qualifications and conditions for enrollment adopted by the State Board pursuant to NRS 388.874; or
(c) The pupil fails to satisfy the requirements of the program of distance education.

2. A child who is exempt from compulsory attendance and is enrolled in a private school pursuant to chapter 394 of NRS or is being homeschooled is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1.

3. An opt-in child who is exempt from compulsory attendance is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1, unless the opt-in child receives only a portion of his or her instruction from a participating entity as authorized pursuant to section 7 of this act.

4. If a pupil who is prohibited from attending public school pursuant to NRS 392.264 enrolls in a program of distance education, the enrollment and attendance of that pupil must comply with all requirements of NRS 62F.100 to 62F.150, inclusive, and 392.251 to 392.271, inclusive.

Sec. 16.3. Chapter 392 of NRS is hereby amended by adding thereto the provisions set forth as sections 16.35, 16.4 and 16.5 of this act.

Sec. 16.35. As used in sections 16.35, 16.4 and 16.5 of this act, unless the context otherwise requires, “parent” has the meaning ascribed to it in section 4 of this act.
Sec. 16.4. 1. The parent of an opt-in child shall provide notice to the school district where the child would otherwise attend that the child is an opt-in child as soon as practicable after entering into an agreement to establish an education savings account pursuant to section 7 of this act. Such notice must also include:

(a) The full name, age and gender of the child; and
(b) The name and address of each parent of the child.

2. The superintendent of schools of a school district shall accept a notice provided pursuant to subsection 1 and shall not require any additional assurances from the parent who filed the notice.

3. The school district shall provide to a parent who files a notice pursuant to subsection 1, a written acknowledgement which clearly indicates that the parent has provided the notification required by law and that the child is an opt-in child. The written acknowledgment shall be deemed proof of compliance with Nevada’s compulsory school attendance law.

4. The superintendent of schools of a school district shall process a written request for a copy of the records of the school district, or any information contained therein, relating to an opt-in child not later than 5 days after receiving the request. The superintendent of schools may only release such records or information:

(a) To a person or entity specified by the parent of the child, or by the child if the child is at least 18 years of age, upon suitable proof of identity of the parent or child; or
(b) If required by specific statute.

5. If an opt-in child seeks admittance or entrance to any public school in this State, the school may use only commonly used practices in determining the academic ability, placement or eligibility of the child. If the child enrolls in a charter school, the charter school shall, to the extent practicable, notify the board of trustees of the resident school district of the child’s enrollment in the charter school. Regardless of whether the charter school provides such notification to the board of trustees, the charter school may count the child who is enrolled for the purposes of the calculation of basic support pursuant to NRS 387.1233. An opt-in child seeking admittance to public high school must comply with NRS 392.033.

6. A school shall not discriminate in any manner against an opt-in child or a child who was formerly an opt-in child.

7. Each school district shall allow an opt-in child to participate in all college entrance examinations offered in this State, including, without limitation, the SAT, the ACT, the Preliminary SAT and the National Merit Scholarship Qualifying Test. Each school district shall upon request, provide information to the parent of an opt-in child who resides in the school district has adequate notice of the availability of information concerning such examinations on the Internet website of the school district maintained pursuant to NRS 389.004.
Sec. 16.5. 1. The Department shall develop a standard form for the notice of intent of an opt-in child to participate in programs and activities. The board of trustees of each school district shall, in a timely manner, make only the form developed by the Department available to parents of opt-in children.

2. If an opt-in child wishes to participate in classes, activities, programs, sports or interscholastic activities and events at a public school or through a school district, or through the Nevada Interscholastic Activities Association, the parent of the child must file a current notice of intent to participate with the resident school district.

Sec. 16.6. NRS 392.033 is hereby amended to read as follows:

392.033 1. The State Board shall adopt regulations which prescribe the courses of study required for promotion to high school, including, without limitation, English, mathematics, science and social studies. The regulations may include the credits to be earned in each course.

2. Except as otherwise provided in subsection 4, the board of trustees of a school district shall not promote a pupil to high school if the pupil does not complete the course of study or credits required for promotion. The board of trustees of the school district in which the pupil is enrolled may provide programs of remedial study to complete the courses of study required for promotion to high school.

3. The board of trustees of each school district shall adopt a procedure for evaluating the course of study or credits completed by a pupil who transfers to a junior high or middle school from a junior high or middle school in this State or from a school outside of this State.

4. The board of trustees of each school district shall adopt a policy that allows a pupil who has not completed the courses of study or credits required for promotion to high school to be placed on academic probation and to enroll in high school. A pupil who is on academic probation pursuant to this subsection shall complete appropriate remediation in the subject areas that the pupil failed to pass. The policy must include the criteria for eligibility of a pupil to be placed on academic probation. A parent or guardian may elect not to place his or her child on academic probation but to remain in grade 8.

5. A homeschooled child or opt-in child who enrolls in a public high school shall, upon initial enrollment:

(a) Provide documentation sufficient to prove that the child has successfully completed the courses of study required for promotion to high school through an accredited program of homeschool study recognized by the board of trustees of the school district or from a participating entity, as applicable;

(b) Demonstrate proficiency in the courses of study required for promotion to high school through an examination prescribed by the board of trustees of the school district; or
(c) Provide other proof satisfactory to the board of trustees of the school district demonstrating competency in the courses of study required for promotion to high school.

6. As used in this section, “participating entity” has the meaning ascribed to it in section 5 of this act.

Sec. 16.7. NRS 392.070 is hereby amended to read as follows:

392.070 1. Attendance of a child required by the provisions of NRS 392.040 must be excused when:

(a) The child is enrolled in a private school pursuant to chapter 394 of NRS;

(b) A parent of the child chooses to provide education to the child and files a notice of intent to homeschool the child with the superintendent of schools of the school district in which the child resides in accordance with NRS 392.700 or

(c) The child is an opt-in child and notice of such has been provided to the school district in which the child resides in accordance with section 16.4 of this act.

2. The board of trustees of each school district shall provide programs of special education and related services for homeschooled children. The programs of special education and related services required by this section must be made available:

(a) Only if a child would otherwise be eligible for participation in programs of special education and related services pursuant to NRS 388.440 to 388.520, inclusive;

(b) In the same manner that the board of trustees provides, as required by 20 U.S.C. § 1412, for the participation of pupils with disabilities who are enrolled in private schools within the school district voluntarily by their parents or legal guardians; and

(c) In accordance with the same requirements set forth in 20 U.S.C. § 1412 which relate to the participation of pupils with disabilities who are enrolled in private schools within the school district voluntarily by their parents or legal guardians.

3. Except as otherwise provided in subsection 2 for programs of special education and related services, upon the request of a parent or legal guardian of a child who is enrolled in a private school or a parent or legal guardian of a homeschooled child or opt-in child, the board of trustees of the school district in which the child resides shall authorize the child to participate in any classes and extracurricular activities, excluding sports, at a public school within the school district if:

(a) Space for the child in the class or extracurricular activity is available;

(b) The parent or legal guardian demonstrates to the satisfaction of the board of trustees that the child is qualified to participate in the class or extracurricular activity; and

(c) If the child is .
(1) A homeschooled child, a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 392.705 or

(2) An opt-in child, a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to section 16.5 of this act.

If the board of trustees of a school district authorizes a child to participate in a class or extracurricular activity, excluding sports, pursuant to this subsection, the board of trustees is not required to provide transportation for the child to attend the class or activity. A homeschooled child or opt-in child must be allowed to participate in interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to NRS 386.420 to 386.470, inclusive, and interscholastic activities and events, including sports, pursuant to subsection 5.

4. The board of trustees of a school district may revoke its approval for a pupil to participate in a class or extracurricular activity at a public school pursuant to subsection 3 if the board of trustees or the public school determines that the pupil has failed to comply with applicable statutes, or applicable rules and regulations of the board of trustees. If the board of trustees revokes its approval, neither the board of trustees nor the public school is liable for any damages relating to the denial of services to the pupil.

5. In addition to those interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to NRS 386.420 to 386.470, inclusive, a homeschooled child or opt-in child must be allowed to participate in interscholastic activities and events, including sports, if a notice of intent of a homeschooled child or opt-in child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 392.705 or section 16.5 of this act, as applicable. A homeschooled child or opt-in child who participates in interscholastic activities and events at a public school pursuant to this subsection must participate within the school district of the child’s residence through the public school which the child is otherwise zoned to attend. Any rules or regulations that apply to pupils enrolled in public schools who participate in interscholastic activities and events, including sports, apply in the same manner to homeschooled children and opt-in children who participate in interscholastic activities and events, including, without limitation, provisions governing:
(a) Eligibility and qualifications for participation;
(b) Fees for participation;
(c) Insurance;
(d) Transportation;
(e) Requirements of physical examination;
(f) Responsibilities of participants;
(g) Schedules of events;
(h) Safety and welfare of participants;
(i) Eligibility for awards, trophies and medals;
(j) Conduct of behavior and performance of participants; and
(k) Disciplinary procedures.

6. If a homeschooled child or opt-in child participates in interscholastic activities and events pursuant to subsection 5:
   (a) No challenge may be brought by the Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or a private school, or any other entity or person claiming that an interscholastic activity or event is invalid because the homeschooled child or opt-in child is allowed to participate.
   (b) Neither the school district nor a public school may prescribe any regulations, rules, policies, procedures or requirements governing the eligibility or participation of the homeschooled child or opt-in child that are more restrictive than the provisions governing the eligibility and participation of pupils enrolled in public schools.

7. The programs of special education and related services required by subsection 2 may be offered at a public school or another location that is appropriate.

8. The board of trustees of a school district:
   (a) May, before providing programs of special education and related services to a homeschooled child or opt-in child pursuant to subsection 2, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.
   (b) May, before authorizing a homeschooled child or opt-in child to participate in a class or extracurricular activity, excluding sports, pursuant to subsection 3, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.
   (c) Shall, before allowing a homeschooled child or opt-in child to participate in interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to NRS 386.420 to 386.470, inclusive, and interscholastic activities and events pursuant to subsection 5, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

9. The Department shall adopt such regulations as are necessary for the boards of trustees of school districts to provide the programs of special education and related services required by subsection 2.

10. As used in this section [related].
Sec. 16.8. NRS 392.466 is hereby amended to read as follows:
392.466  1. Except as otherwise provided in this section, any pupil who commits a battery which results in the bodily injury of an employee of the school or who sells or distributes any controlled substance while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be suspended or expelled from that school, although the pupil may be placed in another kind of school, for at least a period equal to one semester for that school. For a second occurrence, the pupil must be permanently expelled from that school and:
   (a) Enroll in a private school pursuant to chapter 394 of NRS, become an opt-in child or be homeschooled; or
   (b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

  2. Except as otherwise provided in this section, any pupil who is found in possession of a firearm or a dangerous weapon while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be expelled from the school for a period of not less than 1 year, although the pupil may be placed in another kind of school for a period not to exceed the period of the expulsion. For a second occurrence, the pupil must be permanently expelled from the school and:
   (a) Enroll in a private school pursuant to chapter 394 of NRS, become an opt-in child or be homeschooled; or
   (b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

  – The superintendent of schools of a school district may, for good cause shown in a particular case in that school district, allow a modification to the expulsion requirement of this subsection if such modification is set forth in writing.

  3. Except as otherwise provided in this section, if a pupil is deemed a habitual disciplinary problem pursuant to NRS 392.4655, the pupil must be suspended or expelled from the school for a period equal to at least one semester for that school. For the period of the pupil’s suspension or expulsion, the pupil must:
(a) Enroll in a private school pursuant to chapter 394 of NRS, become an opt-in child or be homeschooled; or
(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

4. This section does not prohibit a pupil from having in his or her possession a knife or firearm with the approval of the principal of the school. A principal may grant such approval only in accordance with the policies or regulations adopted by the board of trustees of the school district.

5. Any pupil in grades 1 to 6, inclusive, except a pupil who has been found to have possessed a firearm in violation of subsection 2, may be suspended from school or permanently expelled from school pursuant to this section only after the board of trustees of the school district has reviewed the circumstances and approved this action in accordance with the procedural policy adopted by the board for such issues.

6. A pupil who is participating in a program of special education pursuant to NRS 388.520, other than a pupil who is gifted and talented or who receives early intervening services, may, in accordance with the procedural policy adopted by the board of trustees of the school district for such matters, be:
   (a) Suspended from school pursuant to this section for not more than 10 days. Such a suspension may be imposed pursuant to this paragraph for each occurrence of conduct proscribed by subsection 1.
   (b) Suspended from school for more than 10 days or permanently expelled from school pursuant to this section only after the board of trustees of the school district has reviewed the circumstances and determined that the action is in compliance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq.

7. As used in this section:
   (a) "Battery" has the meaning ascribed to it in paragraph (a) of subsection 1 of NRS 200.481.
   (b) "Dangerous weapon" includes, without limitation, a blackjack, slungshot, billy, sand-club, sandbag, metal knuckles, dirk or dagger, a nunchaku, switchblade knife or trefoil, as defined in NRS 202.350, a butterfly knife or any other knife described in NRS 202.350, or any other object which is used, or threatened to be used, in such a manner and under such circumstances as to pose a threat of, or cause, bodily injury to a person.
   (c) "Firearm" includes, without limitation, any pistol, revolver, shotgun, explosive substance or device, and any other item included within the definition of a “firearm” in 18 U.S.C. § 921, as that section existed on July 1, 1995.
8. The provisions of this section do not prohibit a pupil who is suspended or expelled from enrolling in a charter school that is designed exclusively for the enrollment of pupils with disciplinary problems if the pupil is accepted for enrollment by the charter school pursuant to NRS 386.580. Upon request, the governing body of a charter school must be provided with access to the records of the pupil relating to the pupil’s suspension or expulsion in accordance with applicable federal and state law before the governing body makes a decision concerning the enrollment of the pupil.

Sec. 17. This act becomes effective on July 1, 2015.

Senator Harris moved the adoption of the amendment.

Remarks by Senators Harris and Denis:

SENATOR HARRIS:
The amendment Requires the State Treasurer to manage the program and to adopt related regulations; excludes home-schooled students, but allows participation by a new category of student, an “opt-in child”, who receives their education from a parent or from a private entity at the direction of a parent; excludes existing private school students from participation and requires a student to attend a public school for at least 100 school days immediately preceding participation; allows a student to receive a proportional grant for part-time private school enrollment; allows transportation expenses, curriculum, and supplemental materials to be funded with a grant; authorizes larger grants for students with disabilities and those whose family income is less than 185 percent of the federal poverty level; requires an education savings account to be frozen during any period that a child is not attending school; allows funds in an account to roll-over from year to year, and allows funds to be used for post-secondary education within 4 years after high school; requires a child who chooses to return to public school, to do so at the end of a funding period; makes other clarifying changes; and most importantly imposes a residency requirement.

SENATOR DENIS:
Even though I heard this in committee and we heard the amendment, I still have questions and concerns about the ability to grant money to a student and just because they perhaps spend less that they are not only going to be able to go to school, I don’t think that this bill is going to help all of the kids in the same manner because some people have more money than others. But, I am also concerned that they’re going to be able to perhaps scrimp on their K-12 education so that they can then pay for college out of this. That’s a concern that I have, so I am not going to vote for this amendment.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Kieckhefer moved that Senate Bill No. 341 be taken from the Second Reading File and be placed on the Secretary’s Desk.

Motion carried.

Senator Harris moved that Senate Bill No. 463 be taken from the Secretary’s Desk and be placed on the bottom of the General File, this agenda.

Motion carried.
SECOND READING AND AMENDMENT

Senate Bill No. 403.
Bill read second time.
The following amendment was proposed by the Committee on Legislative Operations and Elections:

Amendment No. 579.
AN ACT relating to elections; requiring a candidate who violates certain residency requirements for elected public office to reimburse persons who made certain campaign contributions to the candidate; requiring certain campaign contribution reports; revising provisions governing the filing of a declaration or acceptance of candidacy; enacting provisions relating to an ineligible candidate for office as a Legislator; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:
Existing law provides that a person may not be a candidate for any elected public office unless, for the 30-day period immediately preceding the date of the close of the filing period for that office, the person has actually, as opposed to constructively, resided in the State, district, county, township or other area prescribed by law for that office. Existing law provides that a person who knowingly and willfully files an acceptance of candidacy or declaration of candidacy which contains a false statement regarding the person’s compliance with the 30-day residency requirement is guilty of a gross misdemeanor. (NRS 293.1755, 293C.200)

Existing law also regulates campaign finance practices, including campaign contributions. (Chapter 294A of NRS) Candidates must comply with certain reporting requirements for campaign contributions and must dispose of unspent or excess campaign contributions after an election. (NRS 294A.120, 294A.125, 294A.128, 294A.160, 294A.200) Candidates may use campaign contributions only for certain authorized purposes such as paying for campaign expenses and certain legal expenses. (NRS 294A.160, 294A.286) The Secretary of State may investigate, bring civil actions and impose civil penalties for violations of the campaign finance laws. (NRS 294A.410, 294A.420)

Sections 3 and 12 of this bill provide that in addition to any other remedies or penalties, a candidate who violates the 30-day residency requirement prescribed by law must comply with the campaign contribution reimbursement requirements set forth in section 13 of this bill. Section 13 provides that if a district court finds that a candidate has violated the 30-day residency requirement, the district court must order the candidate, within a prescribed period, to reimburse certain campaign contributors in an amount equivalent to the amount of the monetary contributions received for that campaign, or any proportion thereof as determined by the district court, whether or not the contributions were spent on any authorized campaign expenses or legal expenses. For any monetary contributions which, singly or cumulatively, exceeded $100,
the candidate must: (1) reimburse the contributor in an equivalent amount of money in the amount or proportion ordered by the district court; or (2) if the contributor declines to be reimbursed or cannot be located, donate an equivalent amount of money in the amount or proportion ordered by the district court to any tax-exempt nonprofit entity. For any monetary contribution which did not exceed $100, the candidate must donate an equivalent amount of money in the amount or proportion ordered by the district court to any tax-exempt nonprofit entity.

If the candidate is unable to comply with the requirements within the prescribed period, section 13 authorizes the Secretary of State to extend the period or approve a payment plan. Section 13 also requires the candidate to submit to the Secretary of State reports of each reimbursement or donation, and section 16 of this bill authorizes the Secretary of State to impose certain civil penalties if the candidate fails to report within the required period. Finally, section 13 also prohibits the candidate from disposing of any unspent or excess monetary contributions after the election until it has been determined whether the candidate must reimburse or donate any monetary contributions pursuant to section 13. Finally, to make candidates aware of the potential liability under section 13, the Secretary of State must include a description of the section in any guides, handbooks or other informational materials prepared for the candidates and on the Internet website of the Secretary of State.

Existing law requires a candidate to file a declaration or acceptance of candidacy before his or her name may appear on a ballot, and existing law specifies the forms for a declaration or acceptance of candidacy. (NRS 293.177, 293C.185) Sections 4 and 11 of this bill provide that the forms for a declaration or acceptance of candidacy must include a statement in which the candidate acknowledges that a violation of the 30-day residency requirement subjects the candidate to a civil action disqualifying the candidate from entering upon the duties of the office and making the candidate liable under section 13.

Existing law requires a candidate for office as a Legislator to meet certain qualifications for the office and, if elected, such a candidate is entitled to receive a certificate of election and must take and subscribe to the official oath before taking office. (NRS 218A.200, 218A.210, 218A.220) Sections 1, 2, 5-10 and 17-23 of this bill revise the legal rules, standards and procedures that apply to a candidate who is or becomes an ineligible candidate for the office of Legislator during an election.

Section 17 defines the term “ineligible candidate” to mean a candidate for office as a Legislator who fails to meet any qualification required for the office or who is found by a court to be disqualified from entering upon the duties of the office. If, after the date a candidate files a declaration or acceptance of candidacy and on or before the date of the general election, the candidate is or becomes such an ineligible candidate, sections 1, 2, 5-10 and 17-23 provide that the ineligible candidate: (1) is not eligible to be seated as a
Legislator; (2) must not be issued a certificate of election regardless of the number of votes cast for the ineligible candidate; (3) shall not take and subscribe to the official oath as a Legislator; and (4) may not demand or receive a recount of the vote at the election or contest the results of the election.

Lastly, before the Assembly meets for each regular session, existing law requires the Secretary of State to make out a roll from the election returns of the persons who received the highest number of votes to be elected as members of the Assembly, and the members whose names appear upon the roll must be allowed to participate in the organization of the Assembly. (NRS 218A.400) Section 22 provides that the Secretary of State shall not include an ineligible candidate upon the roll of the persons elected as members of the Assembly and the name of the ineligible candidate must not appear upon the roll regardless of the number of votes cast for the ineligible candidate.

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

Section 1.  NRS 293.034 is hereby amended to read as follows:

293.034  “Certificate of election” means a certificate prepared by the county or city clerk or Governor, as the case may be, for the person having the highest number of votes for any district, county, township, city, state or statewide office as official recognition of the person’s election to office except that if the name of an ineligible candidate, as defined in section 17 of this act, could not be removed from the ballot pursuant to this chapter, such a certificate must not be prepared for the ineligible candidate regardless of the number of votes cast for the ineligible candidate.

Sec. 2.  NRS 293.042 is hereby amended to read as follows:

293.042  “Contest” means an adversary proceeding between a candidate for a public office who has received the greatest number of votes and any other candidate for that office or, in certain cases, any registered voter of the appropriate political subdivision, for the purpose of determining the validity of an election except that an ineligible candidate, as defined in section 17 of this act, may not contest the election for the office for which he or she is an ineligible candidate.

Sec. 3.  NRS 293.1755 is hereby amended to read as follows:

293.1755  1.  In addition to any other requirement provided by law, no person may be a candidate for any office unless, for at least the 30 days immediately preceding the date of the close of filing of declarations of candidacy or acceptances of candidacy for the office which the person seeks, the person has, in accordance with NRS 281.050, actually, as opposed to constructively, resided in the State, district, county, township or other area prescribed by law to which the office pertains and, if elected, over which he or she will have jurisdiction or will represent.
2. Any person who knowingly and willfully files an acceptance of candidacy or declaration of candidacy which contains a false statement in this respect is guilty of a gross misdemeanor.

3. In addition to any other remedy or penalty provided by law, if a district court finds that a person who is a candidate for any office violated subsection 1, the person is subject to the requirements of section 13 of this act.

4. The provisions of this section do not apply to candidates for the office of district attorney.

Sec. 4. NRS 293.177 is hereby amended to read as follows:

293.177 1. Except as otherwise provided in NRS 293.165, a name may not be printed on a ballot to be used at a primary election unless the person named has filed a declaration of candidacy or an acceptance of candidacy, and has paid the fee required by NRS 293.193 not earlier than:

(a) For a candidate for judicial office, the first Monday in January of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in January; and

(b) For all other candidates, the first Monday in March of the year in which the election is to be held nor later than 5 p.m. on the second Friday after the first Monday in March.

2. A declaration of candidacy or an acceptance of candidacy required to be filed by this section must be in substantially the following form:

(a) For partisan office:
DECLARATION OF CANDIDACY OF ........ FOR THE OFFICE OF ................
State of Nevada
County of
For the purpose of having my name placed on the official ballot as a candidate for the ................ Party nomination for the office of ………, I, the undersigned …….., do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at ………., in the City or Town of ……., County of ………., State of Nevada; that my actual, as opposed to constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that I understand that if I violate the foregoing residency requirements, it subjects me to a civil action disqualifying me from entering upon the duties of this office and making me liable upon order of the court pursuant to section 13 of this act to reimburse each person who made a monetary contribution to my campaign in an amount determined by the court, whether or not I already used the monetary contribution for campaign expenses or legal expenses pursuant to chapter 294A of NRS; that my telephone number is ........ ...., and the address at which I receive mail, if different than my residence, is .........; that I am registered as a member of the ........... Party; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been
convicted of treason or a felony, my civil rights have been restored by a court of competent jurisdiction; that I have not, in violation of the provisions of NRS 293.176, changed the designation of my political party or political party affiliation on an official application to register to vote in any state since December 31 before the closing filing date for this election; that I generally believe in and intend to support the concepts found in the principles and policies of that political party in the coming election; that if nominated as a candidate of the ............... Party at the ensuing election, I will accept that nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and that I understand that my name will appear on all ballots as designated in this declaration.

(Designation of name)
(Signature of candidate for office)
Subscribed and sworn to before me
this ...... day of the month of ...... of the year ......

Notary Public or other person
authorized to administer an oath

(b) For nonpartisan office:

DECLARATION OF CANDIDACY OF ........ FOR THE OFFICE OF ............... State of Nevada County of
For the purpose of having my name placed on the official ballot as a candidate for the office of ............... I, the undersigned ............... do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at ..........., in the City or Town of ........, County of ..........., State of Nevada; that my actual, as opposed to constructive, residence in the State, district, county, township, city or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that I understand that if I violate the foregoing residency requirements, it subjects me to a civil action disqualifying me from entering upon the duties of this office and making me liable upon order of the court pursuant to section 13 of this act to reimburse each person who made a monetary contribution to my campaign in an amount determined by the court, whether or not I already used the monetary contribution for campaign expenses or legal expenses pursuant to chapter 294A of NRS; that my telephone number is ..........., and the address at which I receive mail, if different than my residence, is .........; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been
restored by a court of competent jurisdiction; that if nominated as a nonpartisan candidate at the ensuing election, I will accept the nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and my name will appear on all ballots as designated in this declaration.

(Designation of name)
(Signature of candidate for office)

Subscribed and sworn to before me
this ...... day of the month of ...... of the year ......
Notary Public or other person
authorized to administer an oath

3. The address of a candidate which must be included in the declaration of candidacy or acceptance of candidacy pursuant to subsection 2 must be the street address of the residence where the candidate actually, as opposed to constructively, resides in accordance with NRS 281.050, if one has been assigned. The declaration or acceptance of candidacy must not be accepted for filing if:
(a) The candidate’s address is listed as a post office box unless a street address has not been assigned to his or her residence; or
(b) The candidate does not present to the filing officer:
   (1) A valid driver’s license or identification card issued by a governmental agency that contains a photograph of the candidate and the candidate’s residential address; or
   (2) A current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the candidate’s name and residential address, but not including a voter registration card issued pursuant to NRS 293.517.

4. The filing officer shall retain a copy of the proof of identity and residency provided by the candidate pursuant to paragraph (b) of subsection 3. Such a copy:
(a) May not be withheld from the public; and
(b) Must not contain the social security number or driver’s license or identification card number of the candidate.

5. By filing the declaration or acceptance of candidacy, the candidate shall be deemed to have appointed the filing officer for the office as his or her agent for service of process for the purposes of a proceeding pursuant to NRS 293.182. Service of such process must first be attempted at the appropriate address as specified by the candidate in the declaration or acceptance of candidacy. If the candidate cannot be served at that address, service must be made by personally delivering to and leaving with the filing officer duplicate copies of the process. The filing officer shall immediately
send, by registered or certified mail, one of the copies to the candidate at the specified address, unless the candidate has designated in writing to the filing officer a different address for that purpose, in which case the filing officer shall mail the copy to the last address so designated.

6. If the filing officer receives credible evidence indicating that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the filing officer:
   (a) May conduct an investigation to determine whether the candidate has been convicted of a felony and, if so, whether the candidate has had his or her civil rights restored by a court of competent jurisdiction; and
   (b) Shall transmit the credible evidence and the findings from such investigation to the Attorney General, if the filing officer is the Secretary of State, or to the district attorney, if the filing officer is a person other than the Secretary of State.

7. The receipt of information by the Attorney General or district attorney pursuant to subsection 6 must be treated as a challenge of a candidate pursuant to subsections 4 and 5 of NRS 293.182. If the ballots are printed before a court of competent jurisdiction makes a determination that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the filing officer must post a notice at each polling place where the candidate’s name will appear on the ballot informing the voters that the candidate is disqualified from entering upon the duties of the office for which the candidate filed the declaration of candidacy or acceptance of candidacy.

Sec. 5. NRS 293.395 is hereby amended to read as follows:

293.395 1. The board of county commissioners, after making the abstract of votes as provided in NRS 293.393, shall cause the county clerk to certify the abstract and, by an order made and entered in the minutes of its proceedings, to make:
   (a) A copy of the certified abstract; and
   (b) A mechanized report of that abstract in compliance with regulations adopted by the Secretary of State,

 and forthwith transmit them to the Secretary of State.

2. On the fourth Tuesday of November after each general election, the justices of the Supreme Court, or a majority thereof, shall meet with the Secretary of State, and shall open and canvass the vote for the number of presidential electors to which this State may be entitled, United States Senator, Representative in Congress, members of the Legislature, state officers who are elected statewide or by district, district judges, or district officers whose districts include area in more than one county and for and against any question submitted.

3. [The] Except as otherwise provided in NRS 218A.200, 218A.210 and 218A.220 and section 17 of this act, the Governor shall issue certificates of election to and commission the persons having the highest number of votes and shall issue proclamations declaring the election of those persons.
Sec. 6. NRS 293.397 is hereby amended to read as follows:

293.397 Except as otherwise provided in NRS 218A.200, 218A.210 and 218A.220 and section 17 of this act, a certificate of election or commission must not be withheld from the person having the highest number of votes for the office because of any contest of election filed in the election or any defect or informality in the returns of any election, if it can be ascertained with reasonable certainty from the returns what office is intended and who is entitled to the certificate or commission.

Sec. 7. NRS 293.400 is hereby amended to read as follows:

293.400 1. If, after the completion of the canvass of the returns of any election, two or more persons who are not ineligible candidates as defined in section 17 of this act receive an equal number of votes, which is sufficient for the election of one or more but fewer than all of them to the office, the person or persons elected must be determined as follows:

(a) In a general election for a United States Senator, Representative in Congress, state officer who is elected statewide or by district, district judge, or district officer whose district includes area in more than one county, the Legislature shall, by joint vote of both houses, elect one of those persons to fill the office.

(b) In a primary election for a United States Senator, Representative in Congress, state officer who is elected statewide or by district, district judge, or district officer whose district includes area in more than one county, the Secretary of State shall summon the candidates who have received the tie votes to appear before the Secretary of State at a time and place designated by the Secretary of State and the Secretary of State shall determine the tie by lot. If the tie vote is for the office of Secretary of State, the Governor shall perform these duties.

(c) For any office of a county, township, incorporated city, city organized under a special charter where the charter is silent as to determination of a tie vote, or district which is wholly located within one county, the county clerk shall summon the candidates who have received the tie votes to appear before the county clerk at a time and place designated by the county clerk and determine the tie by lot. If the tie vote is for the office of county clerk, the board of county commissioners shall perform these duties.

2. The summons mentioned in this section must be mailed to the address of the candidate as it appears upon the candidate’s declaration of candidacy at least 5 days before the day fixed for the determination of the tie vote and must contain the time and place where the determination will take place.

3. The right to a recount extends to all candidates in case of a tie except for an ineligible candidate as defined in section 17 of this act.

Sec. 8. NRS 293.403 is hereby amended to read as follows:

293.403 1. Except for an ineligible candidate as defined in section 17 of this act, a candidate defeated at any election may demand and receive a recount of the vote for the office for which he or she is a candidate to determine the number of votes received for the candidate and the number of
votes received for the person who won the election if within 3 working days after the canvass of the vote and the certification by the county clerk or city clerk of the abstract of votes the candidate who demands the recount:
(a) Files in writing a demand with the officer with whom the candidate filed his or her declaration of candidacy or acceptance of candidacy; and
(b) Deposits in advance the estimated costs of the recount with that officer.
2. Any voter at an election may demand and receive a recount of the vote for a ballot question if within 3 working days after the canvass of the vote and the certification by the county clerk or city clerk of the abstract of votes, the voter:
(a) Files in writing a demand with:
   (1) The Secretary of State, if the demand is for a recount of a ballot question affecting more than one county; or
   (2) The county or city clerk who will conduct the recount, if the demand is for a recount of a ballot question affecting only one county or city; and
(b) Deposits in advance the estimated costs of the recount with the person to whom the demand was made.
3. The estimated costs of the recount must be determined by the person with whom the advance is deposited based on regulations adopted by the Secretary of State defining the term “costs.”
4. As used in this section, “canvass” means:
(a) In any primary election, the canvass by the board of county commissioners of the returns for a candidate or ballot question voted for in one county or the canvass by the board of county commissioners last completing its canvass of the returns for a candidate or ballot question voted for in more than one county.
(b) In any primary city election, the canvass by the city council of the returns for a candidate or ballot question voted for in the city.
(c) In any general election:
   (1) The canvass by the Supreme Court of the returns for a candidate for a statewide office or a statewide ballot question; or
   (2) The canvass of the board of county commissioners of the returns for any other candidate or ballot question, as provided in paragraph (a).
(d) In any general city election, the canvass by the city council of the returns for a candidate or ballot question voted for in the city.
Sec. 9. NRS 293.407 is hereby amended to read as follows:
293.407 1. Except for an ineligible candidate as defined in section 17 of this act, a candidate at any election, or any registered voter of the appropriate political subdivision, may contest the election of any candidate, except for the office of United States Senator or Representative in Congress.
2. Except where the contest involves the general election for the office of Governor, Lieutenant Governor, Assemblyman, Assemblywoman, State Senator, justice of the Supreme Court or judge of the Court of Appeals, a candidate or voter who wishes to contest an election, including election to the
office of presidential elector, must, within the time prescribed in NRS 293.413, file with the clerk of the district court a written statement of contest, setting forth:

(a) The name of the contestant and that the contestant is a registered voter of the political subdivision in which the election to be contested or part of it was held;
(b) The name of the defendant;
(c) The office to which the defendant was declared elected;
(d) The particular grounds of contest and the section of Nevada Revised Statutes pursuant to which the statement is filed; and
(e) The date of the declaration of the result of the election and the body or board which canvassed the returns thereof.

3. The contestant shall verify the statement of contest in the manner provided for the verification of pleadings in civil actions.

4. All material regarding a contest filed by a contestant with the clerk of the district court must be filed in triplicate.

Sec. 10. NRS 293.427 is hereby amended to read as follows:

293.427 1. The Secretary of State shall deliver the statement of contest filed pursuant to NRS 293.425 and all other documents, including any amendments to the statement, to the presiding officer of the appropriate house of the Legislature on the day of the organization of the Legislature.

2. Until the contest has been decided, the candidate who received the highest number of votes for the office in the contested election must be seated as a member of the appropriate house, except that if the name of an ineligible candidate, as defined in section 17 of this act, could not be removed from the ballot pursuant to this chapter, the ineligible candidate must not be seated as a member of the appropriate house regardless of the number of votes cast for the ineligible candidate.

3. If, before the contest has been decided, a contestant gives written notice to the Secretary of State that the contestant wishes to withdraw his or her statement of contest, the Secretary of State shall dismiss the contest.

4. The contest, if not dismissed, must be heard and decided as prescribed by the standing or special rules of the house in which the contest is to be tried. If after hearing the contest, the house decides to declare the contestant elected, the Governor shall execute a certificate of election and deliver it to the contestant. The certificate of election issued to the other candidate is thereafter void.

5. In a contest of a general election for the office of Assemblyman, Assemblywoman or Senator, the house in which a contest was tried or was to be tried shall determine the remedy, if any, to be awarded to a party to such a contest. The remedy may include, without limitation, any costs incurred by a party in connection with the contest.

Sec. 11. NRS 293C.185 is hereby amended to read as follows:

293C.185 1. Except as otherwise provided in NRS 293C.115 and 293C.190, a name may not be printed on a ballot to be used at a primary city
election unless the person named has filed a declaration of candidacy or an acceptance of candidacy and has paid the fee established by the governing body of the city not earlier than 70 days before the primary city election and not later than 5 p.m. on the 60th day before the primary city election.

2. A declaration of candidacy required to be filed by this section must be in substantially the following form:

DECLARATION OF CANDIDACY OF ........ FOR THE OFFICE OF .............
State of Nevada
City of
For the purpose of having my name placed on the official ballot as a candidate for the office of ............., I, ............., the undersigned do swear or affirm under penalty of perjury that I actually, as opposed to constructively, reside at ............., in the City or Town of ............., County of ............., State of Nevada; that my actual, as opposed to constructive, residence in the city, township or other area prescribed by law to which the office pertains began on a date at least 30 days immediately preceding the date of the close of filing of declarations of candidacy for this office; that I understand that if I violate the foregoing residency requirements, it subjects me to a civil action disqualifying me from entering upon the duties of this office and making me liable upon order of the court pursuant to section 13 of this act to reimburse each person who made a monetary contribution to my campaign in an amount determined by the court, whether or not I already used the monetary contribution for campaign expenses or legal expenses pursuant to chapter 294A of NRS; that my telephone number is ............., and the address at which I receive mail, if different than my residence, is .............; that I am a qualified elector pursuant to Section 1 of Article 2 of the Constitution of the State of Nevada; that if I have ever been convicted of treason or a felony, my civil rights have been restored by a court of competent jurisdiction; that if nominated as a candidate at the ensuing election I will accept the nomination and not withdraw; that I will not knowingly violate any election law or any law defining and prohibiting corrupt and fraudulent practices in campaigns and elections in this State; that I will qualify for the office if elected thereto, including, but not limited to, complying with any limitation prescribed by the Constitution and laws of this State concerning the number of years or terms for which a person may hold the office; and my name will appear on all ballots as designated in this declaration.

(Designation of name)
(Signature of candidate for office)
Subscribed and sworn to before me
this ...... day of the month of ...... of the year ......

Notary Public or other person
authorized to administer an oath

3. The address of a candidate that must be included in the declaration or acceptance of candidacy pursuant to subsection 2 must be the street address
of the residence where the candidate actually, as opposed to constructively, resides in accordance with NRS 281.050, if one has been assigned. The declaration or acceptance of candidacy must not be accepted for filing if:
(a) The candidate’s address is listed as a post office box unless a street address has not been assigned to the residence; or
(b) The candidate does not present to the filing officer:
(1) A valid driver’s license or identification card issued by a governmental agency that contains a photograph of the candidate and the candidate’s residential address; or
(2) A current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the candidate’s name and residential address, but not including a voter registration card issued pursuant to NRS 293.517.
4. The filing officer shall retain a copy of the proof of identity and residency provided by the candidate pursuant to paragraph (b) of subsection 3. Such a copy:
(a) May not be withheld from the public; and
(b) Must not contain the social security number or driver’s license or identification card number of the candidate.
5. By filing the declaration or acceptance of candidacy, the candidate shall be deemed to have appointed the city clerk as his or her agent for service of process for the purposes of a proceeding pursuant to NRS 293C.186. Service of such process must first be attempted at the appropriate address as specified by the candidate in the declaration or acceptance of candidacy. If the candidate cannot be served at that address, service must be made by personally delivering to and leaving with the city clerk duplicate copies of the process. The city clerk shall immediately send, by registered or certified mail, one of the copies to the candidate at the specified address, unless the candidate has designated in writing to the city clerk a different address for that purpose, in which case the city clerk shall mail the copy to the last address so designated.
6. If the city clerk receives credible evidence indicating that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the city clerk:
(a) May conduct an investigation to determine whether the candidate has been convicted of a felony and, if so, whether the candidate has had his or her civil rights restored by a court of competent jurisdiction; and
(b) Shall transmit the credible evidence and the findings from such investigation to the city attorney.
7. The receipt of information by the city attorney pursuant to subsection 6 must be treated as a challenge of a candidate pursuant to subsections 4 and 5 of NRS 293C.186. If the ballots are printed before a court of competent jurisdiction makes a determination that a candidate has been convicted of a felony and has not had his or her civil rights restored by a court of competent jurisdiction, the city clerk must post a notice at each polling place where the
candidate’s name will appear on the ballot informing the voters that the candidate is disqualified from entering upon the duties of the office for which the candidate filed the declaration of candidacy or acceptance of candidacy.

Sec. 12. NRS 293C.200 is hereby amended to read as follows:

293C.200  1. In addition to any other requirement provided by law, no person may be a candidate for a city office unless, for at least the 30 days immediately preceding the date of the close of filing of declarations or acceptances of candidacy for the office that the person seeks, the person has in accordance with NRS 281.050, actually, as opposed to constructively, resided in the city or other area prescribed by law to which the office pertains and, if elected, over which he or she will have jurisdiction or which he or she will represent.

2. Any person who knowingly and willfully files a declaration of candidacy or an acceptance of candidacy that contains a false statement in this respect is guilty of a gross misdemeanor.

3. In addition to any other remedy or penalty provided by law, if a district court finds that a person who is a candidate for any office violated subsection 1, the person is subject to the requirements of section 13 of this act.

Sec. 13. Chapter 294A of NRS is hereby amended by adding thereto a new section to read as follows:

1. In addition to any other remedy or penalty provided by law, but except as otherwise provided in this section, if a district court finds that a person who is a candidate for any office violated subsection 1 of NRS 293.1755 or subsection 1 of NRS 293C.200, the district court shall order the candidate, in the manner and within the period prescribed by this section, to reimburse each person who made a monetary contribution to the candidate, in an amount equal to the monetary contribution or any proportion thereof as determined by the district court, whether or not the candidate used the monetary contribution for campaign expenses or legal expenses pursuant to this chapter.

2. Except as otherwise provided in subsection 3, the candidate shall reimburse each person in the amount or proportion ordered by the district court for each monetary contribution in excess of $100 and any other monetary contributions which cumulatively exceeded $100 from the same person.

3. If a person who made a monetary contribution declines to be reimbursed pursuant to this section or cannot be located at the address listed on the report submitted to the Secretary of State pursuant to NRS 294A.120 or a different address after a reasonable search, the candidate shall donate an equivalent amount of money in the amount or proportion ordered by the district court to any tax-exempt nonprofit entity.

4. If the candidate received any contributions in the amount of $100 or less, the candidate shall donate an equivalent amount of money in the
amount or proportion ordered by the district court to any tax-exempt nonprofit entity.

5. Except as otherwise provided in subsection 6, not later than the 15th day of the second month after the date that written notice of entry of the district court’s order is served or, if an appeal is taken, after the date that the appeal is resolved by a final order, the candidate shall make all the reimbursements and donations required by this section.

6. If, by the date prescribed by subsection 5, the candidate is unable to make all the reimbursements and donations required by this section, the Secretary of State may, upon a request filed by the candidate before that date:

(a) Extend the period for making all the reimbursements and donations required by this section; or
(b) Approve an installment plan proposed by the candidate to make, in installments, all the reimbursements and donations required by this section.

7. If the Secretary of State approves an installment plan pursuant to this section, the Secretary of State shall:

(a) Create a record which describes the circumstances that require the installment plan, sets forth the terms of the installment plan and establishes the dates on which any reports regarding the reimbursements and donations required by this section are due; and
(b) Ensure that the record is available for review by the general public.

8. In addition to the reporting requirements set forth in NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.286, the candidate shall submit to the Secretary of State a report listing all reimbursements and donations made pursuant to this section not later than the dates established by the Secretary of State by regulation.

9. Except as otherwise provided in NRS 294A.3733, any report required pursuant to this section must be filed electronically with the Secretary of State. The report shall be deemed to be filed on the date that it was received by the Secretary of State.

10. The candidate shall not use any contributions received as a candidate for another election to comply with the provisions of this section.

11. The candidate shall not dispose of any unspent or excess contributions pursuant to NRS 294A.160 until after the date prescribed by subsection 5. If, after that date, the candidate has any unspent or excess contributions, the candidate shall dispose of the unspent or excess contributions pursuant to NRS 294A.160 but only to the extent that such unspent or excess contributions are not necessary to comply with the provisions of this section.

12. The provisions of this section do not apply to a legal defense fund established pursuant to NRS 294A.286.

13. The Secretary of State shall include a description of the provisions of this section:
(a) In any guides, handbooks or other informational materials prepared for candidates; and
(b) On the Internet website of the Secretary of State.

Sec. 14. NRS 294A.160 is hereby amended to read as follows:

294A.160 1. It is unlawful for a candidate to spend money received as a contribution for the candidate’s personal use.
2. Notwithstanding the provisions of NRS 294A.286, a candidate or public officer may use contributions to pay for any legal expenses that the candidate or public officer incurs in relation to a campaign or serving in public office without establishing a legal defense fund. Any such candidate or public officer shall report any expenditure of contributions to pay for legal expenses in the same manner and at the same time as the report filed pursuant to NRS 294A.120 or 294A.200. A candidate or public officer shall not use contributions to satisfy a civil or criminal penalty imposed by law.
3. [Every] Except as otherwise provided in section 13 of this act, every candidate for office at a primary election, general election or special election who is elected to that office and received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall dispose of the money through one or any combination of the following methods:
   (a) Return the unspent money to contributors;
   (b) Use the money in the candidate’s next election or for the payment of other expenses related to public office or his or her campaign, regardless of whether he or she is a candidate for a different office in the candidate’s next election;
   (c) Contribute the money to:
      (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
      (2) A political party; or
      (3) Any combination of persons or groups set forth in subparagraphs (1) and (2);
   (d) Donate the money to any tax-exempt nonprofit entity; or
   (e) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.
4. [Every] Except as otherwise provided in section 13 of this act, every candidate for office at a primary election, general election or special election who withdraws pursuant to NRS 293.202 or 293C.195 after filing a declaration of candidacy or an acceptance of candidacy, is removed from the ballot by court order or is defeated for or otherwise not elected to that office and who received contributions that were not spent or committed for expenditure before the primary election, general election or special election shall, not later than the 15th day of the second month after the election,
dispose of the money through one or any combination of the following methods:

(a) Return the unspent money to contributors;
(b) Contribute the money to:
   (1) The campaigns of other candidates for public office or for the payment of debts related to their campaigns;
   (2) A political party; or
   (3) Any combination of persons or groups set forth in subparagraphs (1) and (2);
(c) Donate the money to any tax-exempt nonprofit entity; or
(d) Donate the money to any governmental entity or fund of this State or a political subdivision of this State. A candidate who donates money pursuant to this paragraph may request that the money be used for a specific purpose.

5. Except as otherwise provided in section 3 of this act, every candidate for office who withdraws after filing a declaration of candidacy or an acceptance of candidacy, is defeated for that office at a primary election or is removed from the ballot by court order before a primary election or general election and who received a contribution from a person in excess of $5,000 shall, not later than the 15th day of the second month after the primary election or general election, as applicable, return any money in excess of $5,000 to the contributor.

6. Except as otherwise provided in subsections 7 and 8, every public officer who:
   (a) Does not run for reelection to the office which he or she holds and is not a candidate for any other office; and
   (b) Has contributions that are not spent or committed for expenditure remaining from a previous election,
   shall, not later than the 15th day of the second month after the expiration of the public officer’s term of office, dispose of those contributions in the manner provided in subsection 4.

7. A public officer who:
   (a) Resigns from his or her office;
   (b) Is not a candidate for any other office; and
   (c) Has contributions that are not spent or committed for expenditure remaining from a previous election,
   shall, not later than the 15th day of the second month after the effective date of the resignation, dispose of those contributions in the manner provided in subsection 4.

8. A public officer who:
   (a) Does not run for reelection to the office which he or she holds and is a candidate for any other office; and
   (b) Has contributions that are not spent or committed for expenditure remaining from a previous election,
   may use the unspent contributions in a future election. Such a public officer is subject to the reporting requirements set forth in NRS 294A.120,
294A.125, 294A.128, 294A.200 and 294A.362 for as long as the public officer is a candidate for any office.

9. In addition to the methods for disposing of the unspent money set forth in subsections 3, 4, 5, 7 and 8, a Legislator may donate not more than $500 of that money to the Nevada Silver Haired Legislative Forum created pursuant to NRS 427A.320.

10. Any contributions received before a candidate for office at a primary election, general election or special election dies that were not spent or committed for expenditure before the death of the candidate must be disposed of in the manner provided in subsection 4.

11. The court shall, in addition to any penalty which may be imposed pursuant to NRS 294A.420, order the candidate or public officer to dispose of any remaining contributions in the manner provided in this section.

12. As used in this section, "contributions" include any interest and other income earned thereon.

Sec. 15. NRS 294A.350 is hereby amended to read as follows:

294A.350 1. Except as otherwise provided in subsection 2, every candidate for office shall file the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.286, and section 13 of this act, even though the candidate:

(a) Withdraws his or her candidacy pursuant to NRS 293.202 or 293C.195;

(b) Ends his or her campaign without withdrawing his or her candidacy pursuant to NRS 293.202 or 293C.195;

(c) Receives no contributions;

(d) Has no campaign expenses;

(e) Is not opposed in the election by another candidate;

(f) Is defeated in the primary election;

(g) Is removed from the ballot by court order; or

(h) Is the subject of a petition to recall and the special election is not held.

2. Except as otherwise provided in subsection 3, a candidate described in paragraph (a), (b), (f) or (g) of subsection 1 may simultaneously file all the reports required by NRS 294A.120, 294A.125, 294A.128, 294A.200 and 294A.286 and section 13 of this act that are due after the candidate disposes of any unspent or excess contributions as provided in subsections 4 and 5 of NRS 294A.160, as applicable, or after the candidate makes all reimbursements and donations required by section 13 of this act, whichever is later, if the candidate gives written notice to the Secretary of State, on the form prescribed by the Secretary of State, that the candidate is ending his or her campaign and will not accept any additional contributions. If the candidate has submitted a withdrawal of candidacy pursuant to NRS 293.202 or 293C.195 to an officer other than the Secretary of State, the candidate must enclose with the notice a copy of the withdrawal of candidacy. A form submitted to the Secretary of State pursuant to this
subsection must be signed by the candidate under an oath to God or penalty of perjury. A candidate who signs the form under an oath to God is subject to the same penalties as if the candidate had signed the form under penalty of perjury.

3. This section does not exempt a person whose name appears on the ballot and who is elected to office from any reporting requirement of this chapter.

Sec. 16. NRS 294A.420 is hereby amended to read as follows:

294A.420 1. If the Secretary of State receives information that a candidate, person, committee, political party or nonprofit corporation that is subject to the provisions of NRS 294A.120, 294A.128, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220, 294A.230, 294A.250, 294A.270, 294A.280 or 294A.286 or section 13 of this act has not filed a report or form for registration pursuant to the applicable provisions of those sections, the Secretary of State may, after giving notice to that candidate, person, committee, political party or nonprofit corporation, cause the appropriate proceedings to be instituted in the First Judicial District Court.

2. Except as otherwise provided in this section, a candidate, person, committee, political party or nonprofit corporation that violates an applicable provision of this chapter is subject to a civil penalty of not more than $5,000 for each violation and payment of court costs and attorney’s fees. The civil penalty must be recovered in a civil action brought in the name of the State of Nevada by the Secretary of State in the First Judicial District Court and deposited by the Secretary of State for credit to the State General Fund in the bank designated by the State Treasurer.

3. If a civil penalty is imposed because a candidate, person, committee, political party or nonprofit corporation has reported its contributions, campaign expenses, independent expenditures, reimbursements, donations or other expenditures after the date the report is due, except as otherwise provided in this subsection, the amount of the civil penalty is:

(a) If the report is not more than 7 days late, $25 for each day the report is late.

(b) If the report is more than 7 days late but not more than 15 days late, $50 for each day the report is late.

(c) If the report is more than 15 days late, $100 for each day the report is late.

A civil penalty imposed pursuant to this subsection against a public officer who by law is not entitled to receive compensation for his or her office or a candidate for such an office must not exceed a total of $100 if the public officer or candidate received no contributions and made no expenditures during the relevant reporting periods.

4. For good cause shown, the Secretary of State may waive a civil penalty that would otherwise be imposed pursuant to this section.
5. When considering whether to waive, pursuant to subsection 4, a civil penalty that would otherwise be imposed pursuant to subsection 3, the Secretary of State may consider, without limitation:
   (a) The seriousness of the violation, including, without limitation, the nature, circumstances and extent of the violation;
   (b) Any history of violations committed by the candidate, person, committee, political party or nonprofit corporation against whom the civil penalty would otherwise be imposed;
   (c) Any mitigating factor, including, without limitation, whether the candidate, person, committee, political party or nonprofit corporation against whom the civil penalty would otherwise be imposed reported the violation, corrected the violation in a timely manner, attempted to correct the violation or cooperated with the Secretary of State in resolving the situation that led to the violation;
   (d) Whether the violation was inadvertent;
   (e) Any knowledge or experience the candidate, person, committee, political party or nonprofit corporation has with the provisions of this chapter; and
   (f) Any other factor that the Secretary of State deems to be relevant.
6. If the Secretary of State waives a civil penalty pursuant to subsection 4, the Secretary of State shall:
   (a) Create a record which sets forth that the civil penalty has been waived and describes the circumstances that constitute the good cause shown; and
   (b) Ensure that the record created pursuant to paragraph (a) is available for review by the general public.
7. The remedies and penalties provided by this chapter are cumulative, do not abrogate and are in addition to any other remedies and penalties that may exist at law or in equity, including, without limitation, any criminal penalty that may be imposed pursuant to this chapter or NRS 199.120, 199.145 or 239.330.

Sec. 17. Chapter 218A of NRS is hereby amended by adding thereto a new section to read as follows:

As used in this section and NRS 218A.200, 218A.210 and 218A.220, unless the context otherwise requires, "ineligible candidate" means a person who is a candidate for office as a Legislator and who:

1. Fails to meet any qualification required for the office pursuant to the Constitution or laws of this State; or
2. Is found by a court of competent jurisdiction to be disqualified from entering upon the duties of the office pursuant to the Constitution or laws of this State.

Sec. 18. NRS 218A.200 is hereby amended to read as follows:

218A.200  A person is not eligible to be elected or appointed to office as a Legislator unless the person:

(a) Is a qualified elector;
2. A person is not eligible to be seated as a Legislator if, at any time after the person most recently filed a declaration of candidacy or acceptance of candidacy for the office of Legislator pursuant to chapter 293 of NRS and on or before the date of the most recent general election held for the office, the person is or becomes an ineligible candidate.

Sec. 19. NRS 218A.210 is hereby amended to read as follows:

218A.210 A person who is elected to office as a Legislator is entitled to receive a certificate of election from the Governor, except that if the name of an ineligible candidate could not be removed from the ballot pursuant to chapter 293 of NRS, the Governor shall not issue a certificate of election to the ineligible candidate regardless of the number of votes cast for the ineligible candidate.

Sec. 20. NRS 218A.220 is hereby amended to read as follows:

218A.220 1. A person who receives a certificate of election or appointment to office as a Legislator must take and subscribe to the official oath before the person takes office as a Legislator, and an entry thereof must be made on the journal of the proper House.

2. A person shall not take and subscribe to the official oath to take office as a Legislator if, at any time after the person most recently filed a declaration of candidacy or acceptance of candidacy for the office of Legislator pursuant to chapter 293 of NRS and on or before the date of the most recent general election held for the office, the person is or becomes an ineligible candidate.

Sec. 21. NRS 218A.260 is hereby amended to read as follows:

218A.260 1. If a vacancy occurs in the office of a Legislator during a regular or special session or at a time when no biennial election or regular election at which county officers are to be elected will take place between the occurrence of the vacancy and the next regular or special session, the vacancy must be filled in the manner provided in this section.

2. If the former Legislator was elected or appointed from a district wholly within one county, the board of county commissioners of the county in which the district is located shall fill the vacancy by appointing a person who is a member of the same political party as the former Legislator and who actually, as opposed to constructively, resides in the district and who meets all qualifications for the office as required by NRS 218A.200.

3. If the former Legislator was elected or appointed from a district comprising more than one county, the county commissioners of each county within or partly within the district shall fill the vacancy by appointing a
person who is a member of the same political party as the former Legislator, and who actually, as opposed to constructively, resides in the district and who meets all qualifications for the office as required by NRS 218A.200. To fill the vacancy:

(a) Each board of county commissioners shall first meet separately and determine the single candidate it will nominate to fill the vacancy.

(b) The boards shall then meet jointly. The joint meeting must be chaired by the person who is the chair of the board of county commissioners of the county with the largest population in the district. At the joint meeting:

(1) The chair of each board, on behalf of that board, shall cast a proportionate number of votes according to the percent, rounded to the nearest whole percent, which the population of that board’s county is of the population of the entire district. Populations must be determined by the last decennial census or special census conducted by the Bureau of the Census of the United States Department of Commerce.

(2) The person who receives a plurality of these votes is appointed to fill the vacancy. If no person receives a plurality of the votes, the boards of county commissioners of the respective counties shall each select a candidate, and the appointee must be chosen by drawing lots among the candidates so selected.

4. The board of county commissioners or the board of the county with the largest population in the district shall issue a certificate of appointment naming the appointee. The county clerk or the clerk of the county with the largest population in the district shall give the certificate to the appointee and send a copy of the certificate to the Secretary of State.

Sec. 22. NRS 218A.400 is hereby amended to read as follows:

218A.400 1. Before the Assembly meets for each regular session, the Secretary of State shall make out a roll from the returns on file in the Secretary of State’s office of the persons who received the highest number of votes to be elected to office as members of the Assembly in each district in the general election, except that if the name of an ineligible candidate could not be removed from the ballot pursuant to chapter 293 of NRS, the Secretary of State shall not include the ineligible candidate upon the roll of the persons elected to office as members of the Assembly and the name of the ineligible candidate must not appear upon the roll regardless of the number of votes cast for the ineligible candidate. The members whose names appear upon the roll must be allowed to participate in the organization of the Assembly.

2. On the first day of each regular session at a time that is appropriate for that regular session, the Secretary of State shall call the Assembly to order and shall preside over the Assembly until a presiding officer is elected.

3. If a special session is convened between the date of the general election and the date of the next regular session, the Assembly must be organized for the special session according to the procedure set forth in this section, except that on the first day of the special session, the Secretary of
State shall call the Assembly to order at a time that is appropriate for that special session.

4. As used in this section, “ineligible candidate” has the meaning ascribed to it in section 17 of this act.

Sec. 23. NRS 283.130 is hereby amended to read as follows:

283.130 Except as otherwise provided in NRS 218A.200, 218A.210 and 218A.220 and section 17 of this act, any officer elected or appointed to fill any vacancy shall be commissioned, or shall receive a certificate of election or appointment to such office.

Sec. 24. This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

2. On January 1, 2016, for all other purposes.

Senator Farley moved the adoption of the amendment.

Remarks by Senator Farley and Atkinson.

Senator Farley:
Amendment No. 579 to Senate Bill No. 403: (1) Allows the district court discretion by allowing the court to require a candidate who has been found in violation of the candidate residency requirement to reimburse all or a portion of the contributions to the contributor; (2) Clarifies when a candidate may dispose of his or her unspent contributions, if the candidate has been found to have violated the candidate residency requirement and ordered to return his or her contributions to donors; (3) Clarifies when a person is not eligible to be seated as a legislator as a result of his or her lack of qualifications required for the position or because he or she was found by a court to be disqualified from being a legislator; and (4) Adds language describing the residency and eligibility requirements in the declaration of candidacy provisions as well as in any guides, handbooks, or other informational materials prepared for candidates by the Secretary of State.

Senator Atkinson:
Chairwoman Farley, I am looking at page 11, lines 2-9 and I know we talked about this quite a bit in committee so, I believe that this amendment is seeking to clarify that we discussed a disqualified person seeking to pay back everything. In other words, if they raised $150,000 they needed to try to find a way to pay back the $150,000. Now this seems like the court is going to determine the amount. Is that correct? If that is correct I am comfortable with that.

Senator Farley:
Senator Ford is correct. The judge will make the determination of how much of the campaign contributions the actual candidate, who has been found ineligible or in violation of the law, will have to pay back. Or, it can be donated to charity if that’s agreed to by the donor.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 447.
Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 440.

AN ACT relating to marijuana; revising the crime of counterfeiting or forging a registry identification card for the medical use of marijuana; defining certain terms, including “concentrated cannabis”; revising the
definition of marijuana for certain purposes; requiring the State Board of Pharmacy to include certain substances, chemical compounds and isomers of chemical compounds on the list of schedule I controlled substances; making it unlawful to extract concentrated cannabis; providing for the issuance of a letter of approval to certain children that allows such children to engage in the medical use of marijuana; revising certain exemptions from state prosecution for marijuana related offenses; revising provisions governing the return of seized marijuana, paraphernalia or related property from certain persons; providing that certain records created by the Division of Public and Behavioral Health of the Department of Health and Human Services relating to the medical use of marijuana are not confidential; authorizing the Division to issue a registry identification card; authorizing law enforcement agencies to adopt policies and procedures governing the medical use of marijuana by employees; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law makes it a crime, punishable as a category E felony, for a person to counterfeit or forge or attempt to counterfeit or forge a registry identification card, which is the instrument that indicates a bearer is entitled to engage in the medical use of marijuana. (NRS 207.335) Section 1 of this bill makes it unlawful to: (1) counterfeit or forge or attempt to counterfeit or forge a letter of approval; or (2) possess with the intent to use any such counterfeit or forged registry identification card or letter of approval. Existing law defines marijuana for the purposes of the regulation of controlled substances. (NRS 453.096) Section 2 of this bill revises the definition of marijuana to remove the term “resin.”

Existing law authorizes the State Board of Pharmacy to adopt regulations to add substances to, or delete or reschedule substances included in, the schedules of controlled substances. (NRS 452.146) Existing law also provides criminal penalties for various acts involving a schedule I controlled substance, including, without limitation, possession, manufacture, compounding, importation, distribution, sale, transfer, trafficking or driving under the influence. (NRS 453.316-453.348, 484C.110, 484C.120, 488.410) In addition to criminal penalties, existing law provides for civil penalties against a person who engages in certain acts involving the unlawful manufacture, distribution or sale of a schedule I controlled substance. (NRS 453.553-453.5533) The Board currently designates certain substances, chemical compounds and isomers of chemical compounds as schedule I controlled substances, including, without limitation, certain substances known as synthetic marijuana. (NAC 453.510) Section 3 of this bill requires the Board to repeal and replace, by extraordinary regulation, the definition of tetrahydrocannabinols, as contained in the list of schedule I controlled substances.

Sections 1.2-1.5 and 2 of this bill define certain terms, including “concentrated cannabis,” and revise the definition of marijuana for the
purposes of regulating controlled substances. Section 8 of this bill makes it unlawful to knowingly or intentionally extract concentrated cannabis. A person who violates such a provision is guilty of a category C felony.

Existing law exempts a person who holds a valid registry identification card from state prosecution for possession, delivery and production of marijuana. (NRS 453A.200) The Division of Public and Behavioral Health of the Department of Health and Human Services may either issue a registry identification card that has been prepared by the Department of Motor Vehicles to a person who meets certain qualifications or designate the Department of Motor Vehicles to issue a registry identification card to such a person. (NRS 453A.210, 453A.220, 453A.740) A person under the age of 18 years can obtain a registry identification card if the custodial parent or legal guardian with responsibility for health care decisions for the person agrees to serve as the designated primary caregiver for the person and the person meets certain other requirements. (NRS 453A.210) Sections 17 and 18 of this bill require the Division to issue a letter of approval to an applicant who is under 10 years of age stating that the Division has approved the person’s application to be exempted from state prosecution for engaging in the medical use of marijuana if the applicant meets these requirements instead of requiring the applicant to obtain a registry identification card that is prepared or issued by the Department. Section 18 also prescribes the required contents of a letter of approval.

Section 13 of this bill provides that a person who obtains a letter of approval is exempt from certain offenses relating to the possession of marijuana or paraphernalia, but not offenses relating to the delivery and production of marijuana. Sections 17 and 22 of this bill require the custodial parent or legal guardian of a child under the age of 10 years who obtains a letter of approval to agree to serve as the designated primary caregiver for the child. Section 18 requires the Division to issue a registry identification card to the designated primary caregiver of the holder of a letter of approval. Sections 25-27 of this bill authorize a medical marijuana establishment to acquire marijuana from and dispense marijuana to the designated primary caregiver of a person who holds a letter of approval in the same manner as for a patient who holds a registry identification card.

Sections 19-23 of this bill make certain provisions concerning the revocation and expiration of a registry identification card, the designation of a primary caregiver and acts for which the holder of a registry identification card is not exempt from state prosecution applicable to the holder of a letter of approval. Sections 29 and 30 of this bill authorize a patient who holds a valid letter of approval and his or her designated primary caregiver to select one medical marijuana dispensary to serve as his or her designated medical marijuana dispensary. Sections 31-34 of this bill make certain rights and protections for persons who hold a registry identification card and persons who assist such persons in the medical use of marijuana applicable to a
person who holds a letter of approval and a person who assists a person who holds a letter of approval as well.

Existing law provides certain acts for which the holder of a registry identification card is not exempt from state prosecution for certain offenses relating to marijuana. (NRS 453A.300) Section 23 of this bill provides that such a person is not exempt from state prosecution for possessing marijuana or paraphernalia on school property.

The Nevada Constitution requires the Legislature to provide by law for protection of the plant of the genus Cannabis for medical purposes and property related to its use from forfeiture except upon conviction or plea of guilty or nolo contendere. (Nev. Const. Art. 4 § 38) Existing law requires a district attorney of the county in which marijuana, drug paraphernalia or other related property was seized, or the district attorney’s designee, to make a determination that a person is engaging in or assisting in the medical use of marijuana under certain circumstances. (NRS 453A.400) Section 31 of this bill removes the requirement to make such a determination and instead requires law enforcement to return any usable marijuana, marijuana plants, drug paraphernalia and other related property that was seized upon: (1) a decision not to prosecute; (2) the dismissal of the charges; or (3) acquittal.

Section 34 of this bill also provides that the contents of applications, records or other written documentation created by the Division of Public and Behavioral Health of the Department of Health and Human Services or its designee relating to the medical use of marijuana are not confidential and may be disclosed. Section 35 of this bill authorizes the Division to issue a registry identification card rather than requiring that the card be prepared by the Department of Motor Vehicles. Section 35 further provides that the Division will issue a letter of approval to a qualified person and authorizes a fee for providing an application and processing a letter of approval in the same amount as for a registry identification card.

Existing law does not require an employer to modify the job or working conditions of an employee who engages in the medical use of marijuana, but does require that an employer must attempt to make reasonable accommodations for the employee under certain circumstances. (NRS 453A.800) Section 36 of this bill provides that a law enforcement agency is not prohibited from adopting policies or procedures that preclude an employee from engaging in the medical use of marijuana.

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

Section 1. NRS 207.335 is hereby amended to read as follows:

207.335 1. It is unlawful for any person to counterfeit:

(a) Counterfeit or forge or attempt to counterfeit or forge a registry identification card; [or letter of approval; or]
(b) Have in his or her possession with the intent to use any counterfeit or forged registry identification card or letter of approval.

2. Any person who violates the provisions of subsection 1 is guilty of a category E felony and shall be punished as provided in NRS 193.130.

3. As used in this section:
   (a) “Letter of approval” has the meaning ascribed to it in section 12 of this act.
   (b) “Registry identification card” has the meaning ascribed to it in NRS 453A.140.

Sec. 1.1. Chapter 453 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.2 to 1.5, inclusive, of this act.

Sec. 1.2. “CBD” means cannabidiol, which is a primary phytocannabinoid compound found in marijuana.

Sec. 1.3. “Concentrated cannabis” means the extracted or separated resin, whether crude or purified, containing THC or CBD from marijuana.

Sec. 1.4. “Extraction” means the process or act of extracting THC or CBD from marijuana, including, without limitation, pushing, pulling or drawing out THC or CBD from marijuana.

Sec. 1.5. “THC” means:
1. Delta-9-tetrahydrocannabinol;
2. Delta-8-tetrahydrocannabinol; and
3. The optical isomers of such substances.

Sec. 1.6. NRS 453.016 is hereby amended to read as follows:

As used in this chapter, the words and terms defined in NRS 453.021 to 453.141, inclusive, and sections 1.2 to 1.5, inclusive, of this act have the meanings ascribed to them in those sections except in instances where the context clearly indicates a different meaning.

Sec. 2. NRS 453.096 is hereby amended to read as follows:

1. “Marijuana” means:
   (a) All parts of any plant of the genus Cannabis, whether growing or not;
   (b) The seeds thereof;
   (c) The resin extracted from any part of the plant, including concentrated cannabis; and
   (d) Every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin.

2. “Marijuana” does not include the mature stems of the plant, fiber produced from the stems, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stems (except the resin extracted therefrom), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination.

Sec. 3. NRS 453.146 is hereby amended to read as follows:

The Board shall administer the provisions of NRS 453.011 to 453.552, inclusive, and may add substances to or delete or reschedule all substances enumerated in schedules I, II, III, IV and V by regulation.
In making a determination regarding a substance, the Board shall consider the following:

(a) The actual or relative potential for abuse;
(b) The scientific evidence of its pharmacological effect, if known;
(c) The state of current scientific knowledge regarding the substance;
(d) The history and current pattern of abuse;
(e) The scope, duration and significance of abuse;
(f) The risk to the public health;
(g) The potential of the substance to produce psychic or physiological dependence liability; and
(h) Whether the substance is an immediate precursor of a controlled substance.

The Board may consider findings of the federal Food and Drug Administration or the Drug Enforcement Administration as prima facie evidence relating to one or more of the determinative factors.

After considering the factors enumerated in subsection 2, the Board shall make findings with respect thereto and adopt a regulation controlling the substance if it finds the substance has a potential for abuse.

The Board shall designate as a controlled substance a steroid or other product which is used to enhance athletic performance, muscle mass, strength or weight without medical necessity. The Board may not designate as a controlled substance an anabolic steroid which is:

(a) Expressly intended to be administered through an implant to cattle, poultry or other animals, and
(b) Approved by the Food and Drug Administration for such use.

Notwithstanding any other provision of law, the Board shall, by extraordinary regulation as provided for in NRS 453.2184, repeal the existing definition of Tetrahydrocannabinols as a controlled substance included in schedule I and replace the definition as follows:

Tetrahydrocannabinols, including:
- Delta 9 cis or trans tetrahydrocannabinol, and their optical isomers;
- Delta 1 cis or trans tetrahydrocannabinol, and their optical isomers;
- Delta 6 cis or trans tetrahydrocannabinol, and their optical isomers;
- Delta 8 cis or trans tetrahydrocannabinol, and their optical isomers;
- Tetrahydrocannabinols contained in the genus Cannabis or in the resinous extractives of the genus Cannabis; or
- Synthetic equivalents of tetrahydrocannabinol substances or synthetic substances, derivatives and their isomers with a similar chemical structure and pharmacological activity to tetrahydrocannabinol.

Because nomenclature of these substances is not internationally standardized, compounds of these structures, regardless of numerical designation of atomic positions, are covered.

Sec. 4.  NRS 453.3353 is hereby amended to read as follows:

453.3353  1.  Unless a greater penalty is provided by law, and except as otherwise provided in this section and NRS 193.169, if:
(a) A person violates NRS 453.322, 453.3385 or 453.3395, and the violation involves the manufacturing or compounding of any controlled substance other than marijuana; and
(b) During the discovery or cleanup of the premises at, on or in which the controlled substance was manufactured or compounded, another person suffers substantial bodily harm other than death as the proximate result of the manufacturing or compounding of the controlled substance,
   ➔ the person who committed the offense shall be punished by imprisonment in the state prison for a term equal to and in addition to the term of imprisonment prescribed by statute for the offense. The sentence prescribed by this subsection runs consecutively with the sentence prescribed by statute for the offense.
2. Unless a greater penalty is provided by law, and except as otherwise provided in NRS 193.169, if:
   (a) A person violates NRS 453.322, 453.3385 or 453.3395, and the violation involves the manufacturing or compounding of any controlled substance other than marijuana; and
   (b) During the discovery or cleanup of the premises at, on or in which the controlled substance was manufactured or compounded, another person suffers death as the proximate result of the manufacturing or compounding of the controlled substance,
   ➔ the offense shall be deemed a category A felony and the person who committed the offense shall be punished by imprisonment in the state prison:
      (1) For life without the possibility of parole;
      (2) For life with the possibility of parole, with eligibility for parole beginning when a minimum of 20 years has been served; or
      (3) For a definite term of 50 years, with eligibility for parole beginning when a minimum of 20 years has been served.
3. Subsection 1 does not create a separate offense but provides an additional penalty for the primary offense, the imposition of which is contingent upon the finding of the prescribed fact. Subsection 2 does not create a separate offense but provides an alternative penalty for the primary offense, the imposition of which is contingent upon the finding of the prescribed fact.
4. As used in this section:
   ➔ "Marijuana" does not include concentrated cannabis.
   ➔ "Premises" means:
      (1) Any temporary or permanent structure, including, without limitation, any building, house, room, apartment, tenement, shed, carport, garage, shop, warehouse, store, mill, barn, stable, outhouse or tent; or
      (2) Any conveyance, including, without limitation, any vessel, boat, vehicle, airplane, glider, house trailer, travel trailer, motor home or railroad
Sec. 5. NRS 453.336 is hereby amended to read as follows:

453.336 1. Except as otherwise provided in subsection 5, a person shall not knowingly or intentionally possess a controlled substance, unless the substance was obtained directly from, or pursuant to, a prescription or order of a physician, physician assistant licensed pursuant to chapter 630 or 633 of NRS, dentist, podiatric physician, optometrist, advanced practice registered nurse or veterinarian while acting in the course of his or her professional practice, or except as otherwise authorized by the provisions of NRS 453.005 to 453.552, inclusive and sections 1.2 to 1.5, inclusive, of this act.

2. Except as otherwise provided in subsections 3 and 4 and in NRS 453.3363, and unless a greater penalty is provided in NRS 212.160, 453.3385, 453.339 or 453.3395, a person who violates this section shall be punished:
   (a) For the first or second offense, if the controlled substance is listed in schedule I, II, III or IV, for a category E felony as provided in NRS 193.130.
   (b) For a third or subsequent offense, if the controlled substance is listed in schedule I, II, III or IV, or if the offender has previously been convicted two or more times in the aggregate of any violation of the law of the United States or of any state, territory or district relating to a controlled substance, for a category D felony as provided in NRS 193.130, and may be further punished by a fine of not more than $20,000.
   (c) For the first offense, if the controlled substance is listed in schedule V, for a category E felony as provided in NRS 193.130.
   (d) For a second or subsequent offense, if the controlled substance is listed in schedule V, for a category D felony as provided in NRS 193.130.

3. Unless a greater penalty is provided in NRS 212.160, 453.337 or 453.3385, a person who is convicted of the possession of flunitrazepam or gamma-hydroxybutyrate, or any substance for which flunitrazepam or gamma-hydroxybutyrate is an immediate precursor, 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 6 years.

4. Unless a greater penalty is provided pursuant to NRS 212.160, a person who is convicted of the possession of 1 ounce or less of marijuana:
   (a) For the first offense, is guilty of a misdemeanor and shall be:
      (1) Punished by a fine of not more than $600; or
      (2) Examined by an approved facility for the treatment of abuse of drugs to determine whether the person is a drug addict and is likely to be rehabilitated through treatment and, if the examination reveals that the person is a drug addict and is likely to be rehabilitated through treatment, assigned to a program of treatment and rehabilitation pursuant to NRS 453.580.
   (b) For the second offense, is guilty of a misdemeanor and shall be:
      (1) Punished by a fine of not more than $1,000; or
(2) Assigned to a program of treatment and rehabilitation pursuant to NRS 453.580.

(c) For the third offense, is guilty of a gross misdemeanor and shall be punished as provided in NRS 193.140.

(d) For a fourth or subsequent offense, is guilty of a category E felony and shall be punished as provided in NRS 193.130.

5. It is not a violation of this section if a person possesses a trace amount of a controlled substance and that trace amount is in or on a hypodermic device obtained from a sterile hypodermic device program pursuant to NRS 439.985 to 439.994, inclusive.

6. As used in this section:

(a) "Controlled substance" includes flunitrazepam, gamma-hydroxybutyrate and each substance for which flunitrazepam or gamma-hydroxybutyrate is an immediate precursor.

(b) "Marijuana" does not include concentrated cannabis.

(c) "Sterile hypodermic device program" has the meaning ascribed to it in NRS 439.986.

Sec. 6. NRS 453.3385 is hereby amended to read as follows:

453.3385 1. Except as otherwise authorized by the provisions of NRS 453.011 to 453.552, inclusive, and sections 1.2 to 1.5, inclusive, of this act, a person who knowingly or intentionally sells, manufactures, delivers or brings into this State or who is knowingly or intentionally in actual or constructive possession of flunitrazepam, gamma-hydroxybutyrate, any substance for which flunitrazepam or gamma-hydroxybutyrate is an immediate precursor or any controlled substance which is listed in schedule I, except marijuana, or any mixture which contains any such controlled substance, shall be punished, unless a greater penalty is provided pursuant to NRS 453.322, if the quantity involved:

1. (a) Is 4 grams or more, but less than 14 grams, for a category B felony by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years and by a fine of not more than $50,000.

2. (b) Is 14 grams or more, but less than 28 grams, for a category B felony by imprisonment in the state prison for a minimum term of not less than 2 years and a maximum term of not more than 15 years and by a fine of not more than $100,000.

3. (c) Is 28 grams or more, for a category A felony by imprisonment in the state prison:

4. (1) For life with the possibility of parole, with eligibility for parole beginning when a minimum of 10 years has been served; or

5. (2) For a definite term of 25 years, with eligibility for parole beginning when a minimum of 10 years has been served, and by a fine of not more than $500,000.
2. As used in this section, “marijuana” does not include concentrated cannabis.

Sec. 7. NRS 453.339 is hereby amended to read as follows:

453.339  1. Except as otherwise provided in NRS 453.011 to 453.552, inclusive, and sections 1.2 to 1.5, inclusive, of this act, a person who knowingly or intentionally sells, manufactures, delivers or brings into this State or who is knowingly or intentionally in actual or constructive possession of marijuana shall be punished, if the quantity involved:

(a) Is 100 pounds or more, but less than 2,000 pounds, for a category C felony as provided in NRS 193.130 and by a fine of not more than $25,000.

(b) Is 2,000 pounds or more, but less than 10,000 pounds, for a category B felony by imprisonment in the state prison for a minimum term of not less than 2 years and a maximum term of not more than 10 years and by a fine of not more than $50,000.

(c) Is 10,000 pounds or more, for a category A felony by imprisonment in the state prison:

   (1) For life with the possibility of parole, with eligibility for parole beginning when a minimum of 5 years has been served; or

   (2) For a definite term of 15 years, with eligibility for parole beginning when a minimum of 5 years has been served, and by a fine of not more than $200,000.

2. For the purposes of this section:

(a) “Marijuana” means all parts of any plant of the genus Cannabis, whether growing or not. The term does not include concentrated cannabis.

(b) The weight of marijuana is its weight when seized or as soon as practicable thereafter.

Sec. 8. NRS 453.3393 is hereby amended to read as follows:

453.3393  1. A person shall not knowingly or intentionally manufacture, grow, plant, cultivate, harvest, dry, propagate or process marijuana, except as specifically authorized by the provisions of this chapter or chapter 453A of NRS.

2. Unless a greater penalty is provided in subsection 3 or NRS 453.339, a person who violates subsection 1, if the quantity involved is more than 12 marijuana plants, irrespective of whether the marijuana plants are mature or immature, is guilty of a category E felony and shall be punished as provided in NRS 193.130.

3. A person shall not knowingly or intentionally extract concentrated cannabis, except as specifically authorized by the provisions of chapter 453A of NRS. Unless a greater penalty is provided in NRS 453.339, a person who violates this subsection is guilty of a category C felony and shall be punished as provided in NRS 193.130.

4. In addition to any punishment imposed pursuant to this
section, the court shall order a person convicted of a violation of subsection this section to pay all costs associated with any necessary cleanup and disposal related to the manufacturing, growing, planting, cultivation, harvesting, drying, propagation or processing of the marijuana or the extraction of concentrated cannabis.

Sec. 9. NRS 453.401 is hereby amended to read as follows:

453.401  1. Except as otherwise provided in subsections 3 and 4, if two or more persons conspire to commit an offense which is a felony under the Uniform Controlled Substances Act or conspire to defraud the State of Nevada or an agency of the State in connection with its enforcement of the Uniform Controlled Substances Act, and one of the conspirators does an act in furtherance of the conspiracy, each conspirator:

(a) For a first offense, is guilty of a category C felony and shall be punished as provided in NRS 193.130.

(b) For a second offense, or if, in the case of a first conviction of violating this subsection, the conspirator has previously been convicted of a felony under the Uniform Controlled Substances Act or of an offense under the laws of the United States or of any state, territory or district which if committed in this State, would amount to a felony under the Uniform Controlled Substances Act, 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 2 years and a maximum term of not more than 10 years, and may be further punished by a fine of not more than $10,000.

(c) For a third or subsequent offense, or if the conspirator has previously been convicted two or more times of a felony under the Uniform Controlled Substances Act or of an offense under the laws of the United States or any state, territory or district which, if committed in this State, would amount to a felony under the Uniform Controlled Substances Act, 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 3 years and a maximum term of not more than 15 years, and may be further punished by a fine of not more than $20,000 for each offense.

2. Except as otherwise provided in subsection 3, if two or more persons conspire to commit an offense in violation of the Uniform Controlled Substances Act and the offense does not constitute a felony, and one of the conspirators does an act in furtherance of the conspiracy, each conspirator shall be punished by imprisonment, or by imprisonment and fine, for not more than the maximum punishment provided for the offense which they conspired to commit.

3. If two or more persons conspire to possess more than 1 ounce of marijuana unlawfully, except for the purpose of sale, and one of the conspirators does an act in furtherance of the conspiracy, each conspirator is guilty of a gross misdemeanor.
4. If the conspiracy subjects the conspirators to criminal liability under NRS 207.400, the persons so conspiring shall be punished in the manner provided in NRS 207.400.

5. The court shall not grant probation to or suspend the sentence of a person convicted of violating this section and punishable pursuant to paragraph (b) or (c) of subsection 1.

6. As used in this section, "marijuana" does not include concentrated cannabis.

Sec. 10. NRS 453.5531 is hereby amended to read as follows:

453.5531 1. The State of Nevada is entitled, in a civil action brought pursuant to NRS 453.553 involving marijuana, to a civil penalty in an amount:
   (a) Not to exceed $350,000, if the quantity involved is 100 pounds or more, but less than 2,000 pounds.
   (b) Not to exceed $700,000, if the quantity involved is 2,000 pounds or more, but less than 10,000 pounds.
   (c) Not to exceed $1,000,000, if the quantity involved is 10,000 pounds or more.

2. The State of Nevada is entitled, in a civil action brought pursuant to NRS 453.553 involving a controlled substance, except marijuana, which is listed in schedule I or a substitute therefor, to a civil penalty in an amount:
   (a) Not to exceed $350,000, if the quantity involved is 4 grams or more, but less than 14 grams.
   (b) Not to exceed $700,000, if the quantity involved is 14 grams or more, but less than 28 grams.
   (c) Not to exceed $1,000,000, if the quantity involved is 28 grams or more.

3. The State of Nevada is entitled, in a civil action brought pursuant to NRS 453.553 involving a controlled substance which is listed in schedule II or III or a substitute therefor, to a civil penalty in an amount:
   (a) Not to exceed $350,000, if the quantity involved is 28 grams or more, but less than 200 grams.
   (b) Not to exceed $700,000, if the quantity involved is 200 grams or more, but less than 400 grams.
   (c) Not to exceed $1,000,000, if the quantity involved is 400 grams or more.

4. Unless a greater civil penalty is authorized by another provision of this section, the State of Nevada is entitled, in a civil action brought pursuant to NRS 453.553 involving any act or transaction in violation of the provisions of NRS 453.3611 to 453.3648, inclusive, to a civil penalty in an amount not to exceed $350,000.

5. The State of Nevada is entitled, in a civil action brought pursuant to NRS 453.553 involving any act or transaction in violation of the provisions
of NRS 453.324, 453.354, 453.355 or 453.357, to a civil penalty in an amount not to exceed $250,000 for each violation.

6. As used in this section, “marijuana” does not include concentrated cannabis.

Sec. 11. Chapter 453A of NRS is hereby amended by adding thereto the provisions set forth as sections 12 and 13 of this act.

Sec. 12. “Letter of approval” means a document issued by the Division to an applicant who is under 10 years of age pursuant to NRS 453A.220 which provides that the applicant is exempt from state prosecution for engaging in the medical use of marijuana.

Sec. 13. 1. Except as otherwise provided in this section and NRS 453A.300, a person who holds a valid letter of approval issued pursuant to NRS 453A.220 is exempt from state prosecution for:

(a) Possession of marijuana;
(b) Possession of paraphernalia;
(c) Any combination of the acts described in paragraphs (a) and (b); and
(d) Any other criminal offense in which the possession of marijuana or paraphernalia is an element.

2. The exemption from state prosecution set forth in subsection 1 applies only to the extent that the person who holds a letter of approval:

(a) Engages in the medical use of marijuana in accordance with the provisions of this chapter as justified to mitigate the symptoms or effects of the person’s chronic or debilitating medical condition; and
(b) Does not, at any one time, collectively possess with his or her designated primary caregiver an amount of marijuana for medical purposes that exceeds the limits set forth in NRS 453A.200.

3. As used in this section, “marijuana” includes, without limitation, edible marijuana products and marijuana-infused products.

Sec. 14. NRS 453A.010 is hereby amended to read as follows:

453A.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 453A.020 to 453A.170, inclusive, and section 12 of this act have the meanings ascribed to them in those sections.

Sec. 15. NRS 453A.116 is hereby amended to read as follows:

453A.116 “Medical marijuana establishment” means:
1. An independent testing laboratory;
2. A cultivation facility;
3. A facility for the production of edible marijuana products or marijuana-infused products; or
5. A business that has registered with the Division and paid the requisite fees to act as more than one of the types of businesses listed in subsections 2, 3 and 4.
Sec. 16. NRS 453A.200 is hereby amended to read as follows:

453A.200 1. Except as otherwise provided in this section and NRS 453A.300, a person who holds a valid registry identification card issued to the person pursuant to NRS 453A.220 or 453A.250 is exempt from state prosecution for:
(a) Possession, delivery or production of marijuana;
(b) Possession or delivery of paraphernalia;
(c) Aiding and abetting another in the possession, delivery or production of marijuana;
(d) Aiding and abetting another in the possession or delivery of paraphernalia;
(e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
(f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

2. In addition to the provisions of subsections 1 and 5, no person may be subject to state prosecution for constructive possession, conspiracy or any other criminal offense solely for being in the presence or vicinity of the medical use of marijuana in accordance with the provisions of this chapter.

3. The exemption from state prosecution set forth in subsection 1 applies only to the extent that a person who holds a registry identification card issued to the person pursuant to paragraph (a) of subsection 1 of NRS 453A.220 and the designated primary caregiver, if any, of such a person:
(a) Engage in or assist in, as applicable, the medical use of marijuana in accordance with the provisions of this chapter as justified to mitigate the symptoms or effects of a person’s chronic or debilitating medical condition; and
(b) Do not, at any one time, collectively possess, with another who is authorized to possess, deliver or produce more than:
   (1) Two and one-half ounces of usable marijuana in any one 14-day period;
   (2) Twelve marijuana plants, irrespective of whether the marijuana plants are mature or immature; and
   (3) A maximum allowable quantity of edible marijuana products and marijuana-infused products as established by regulation of the Division.
   The persons described in this subsection must ensure that the usable marijuana and marijuana plants described in this subsection are safeguarded in an enclosed, secure location.

4. If the persons described in subsection 3 possess, deliver or produce marijuana in an amount which exceeds the amount described in paragraph (b) of that subsection, those persons:
(a) Are not exempt from state prosecution for possession, delivery or production of marijuana.
(b) May establish an affirmative defense to charges of possession, delivery or production of marijuana, or any combination of those acts, in the manner set forth in NRS 453A.310.

5. A person who holds a valid medical marijuana establishment registration certificate issued to the person pursuant to NRS 453A.322 or a valid medical marijuana establishment agent registration card issued to the person pursuant to NRS 453A.332, and who confines his or her activities to those authorized by NRS 453A.320 to 453A.370, inclusive, and the regulations adopted by the Division pursuant thereto, is exempt from state prosecution for:
   (a) Possession, delivery or production of marijuana;
   (b) Possession or delivery of paraphernalia;
   (c) Aiding and abetting another in the possession, delivery or production of marijuana;
   (d) Aiding and abetting another in the possession or delivery of paraphernalia;
   (e) Any combination of the acts described in paragraphs (a) to (d), inclusive; and
   (f) Any other criminal offense in which the possession, delivery or production of marijuana or the possession or delivery of paraphernalia is an element.

6. Notwithstanding any other provision of law and except as otherwise provided in this subsection, after a medical marijuana dispensary opens in the county of residence of a person who holds a registry identification card [or his or her registered primary caregiver, if any], such [persons are] a person is not authorized to cultivate, grow or produce marijuana. The provisions of this subsection do not apply if:
   (a) The person who holds the registry identification card [or his or her designated primary caregiver, if any] was cultivating, growing or producing marijuana in accordance with this chapter on or before July 1, 2013;
   (b) All the medical marijuana dispensaries in the county of residence of the person who holds the registry identification card [or his or her designated primary caregiver, if any] close or are unable to supply the quantity or strain of marijuana necessary for the medical use of the person to treat his or her specific medical condition;
   (c) Because of illness or lack of transportation, the person who holds the registry identification card [and his or her designated primary caregiver, if any] is unable reasonably to travel to a medical marijuana dispensary; or
   (d) No medical marijuana dispensary was operating within 25 miles of the residence of the person who holds the registry identification card at the time the person first applied for his or her registry identification card.

7. As used in this section, “marijuana” includes, without limitation, edible marijuana products and marijuana-infused products.

Sec. 17. NRS 453A.210 is hereby amended to read as follows:
453A.210 1. The Division shall establish and maintain a program for the issuance of registry identification cards and letters of approval to persons who meet the requirements of this section.

2. Except as otherwise provided in subsections 3 and 5 and NRS 453A.225, the Division or its designee shall issue a registry identification card to a person who is a resident of this State and who submits an application on a form prescribed by the Division accompanied by the following:

(a) Valid, written documentation from the person’s attending physician stating that:

(1) The person has been diagnosed with a chronic or debilitating medical condition;

(2) The medical use of marijuana may mitigate the symptoms or effects of that condition; and

(3) The attending physician has explained the possible risks and benefits of the medical use of marijuana;

(b) The name, address, telephone number, social security number and date of birth of the person;

(c) Proof satisfactory to the Division that the person is a resident of this State;

(d) The name, address and telephone number of the person’s attending physician;

(e) If the person elects to designate a primary caregiver at the time of application:

(1) The name, address, telephone number and social security number of the designated primary caregiver; and

(2) A written, signed statement from the person’s attending physician in which the attending physician approves of the designation of the primary caregiver; and

(f) If the person elects to designate a medical marijuana dispensary at the time of application, the name of the medical marijuana dispensary.

3. The Division or its designee shall issue a registry identification card to a person who is at least 10 years of age but less than 18 years of age or a letter of approval to a person who is less than 10 years of age if:

(a) The person submits the materials required pursuant to subsection 2; and

(b) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age signs a written statement setting forth that:

(1) The attending physician of the person under 18 years of age has explained to that person and to the custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age the possible risks and benefits of the medical use of marijuana;
(2) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age consents to the use of marijuana by the person under 18 years of age for medical purposes; 

(3) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to serve as the designated primary caregiver for the person under 18 years of age; and 

(4) The custodial parent or legal guardian with responsibility for health care decisions for the person under 18 years of age agrees to control the acquisition of marijuana and the dosage and frequency of use by the person under 18 years of age.

4. The form prescribed by the Division to be used by a person applying for a registry identification card or letter of approval pursuant to this section must be a form that is in quintuplicate. Upon receipt of an application that is completed and submitted pursuant to this section, the Division shall:
   (a) Record on the application the date on which it was received;
   (b) Retain one copy of the application for the records of the Division; and
   (c) Distribute the other four copies of the application in the following manner:
       (1) One copy to the person who submitted the application;
       (2) One copy to the applicant’s designated primary caregiver, if any;
       (3) One copy to the Central Repository for Nevada Records of Criminal History; and
       (4) One copy to:
           (I) If the attending physician of the applicant is licensed to practice medicine pursuant to the provisions of chapter 630 of NRS, the Board of Medical Examiners; or
           (II) If the attending physician of the applicant is licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS, the State Board of Osteopathic Medicine.

   The Central Repository for Nevada Records of Criminal History shall report to the Division its findings as to the criminal history, if any, of an applicant within 15 days after receiving a copy of an application pursuant to subparagraph (3) of paragraph (c). The Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable, shall report to the Division its findings as to the licensure and standing of the applicant’s attending physician within 15 days after receiving a copy of an application pursuant to subparagraph (4) of paragraph (c).

5. The Division shall verify the information contained in an application submitted pursuant to this section and shall approve or deny an application within 30 days after receiving the application. The Division may contact an applicant, the applicant’s attending physician and designated primary caregiver, if any, by telephone to determine that the information provided on or accompanying the application is accurate. The Division may deny an application only on the following grounds:
(a) The applicant failed to provide the information required pursuant to subsections 2 and 3 to:
   (1) Establish the applicant’s chronic or debilitating medical condition; or
   (2) Document the applicant’s consultation with an attending physician regarding the medical use of marijuana in connection with that condition;
(b) The applicant failed to comply with regulations adopted by the Division, including, without limitation, the regulations adopted by the Administrator pursuant to NRS 453A.740;
(c) The Division determines that the information provided by the applicant was falsified;
(d) The Division determines that the attending physician of the applicant is not licensed to practice medicine or osteopathic medicine in this State or is not in good standing, as reported by the Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable;
(e) The Division determines that the applicant, or the applicant’s designated primary caregiver, if applicable, has been convicted of knowingly or intentionally selling a controlled substance;
(f) The Division has prohibited the applicant from obtaining or using a registry identification card or letter of approval pursuant to subsection 2 of NRS 453A.300;
(g) The Division determines that the applicant, or the applicant’s designated primary caregiver, if applicable, has had a registry identification card or letter of approval revoked pursuant to NRS 453A.225; or
(h) In the case of a person under 18 years of age, the custodial parent or legal guardian with responsibility for health care decisions for the person has not signed the written statement required pursuant to paragraph (b) of subsection 3.

6. The decision of the Division to deny an application for a registry identification card or letter of approval is a final decision for the purposes of judicial review. Only the person whose application has been denied or, in the case of a person under 18 years of age whose application has been denied, the person’s parent or legal guardian, has standing to contest the determination of the Division. A judicial review authorized pursuant to this subsection must be limited to a determination of whether the denial was arbitrary, capricious or otherwise characterized by an abuse of discretion and must be conducted in accordance with the procedures set forth in chapter 233B of NRS for reviewing a final decision of an agency.

7. A person whose application has been denied may not reapply for 6 months after the date of the denial, unless the Division or a court of competent jurisdiction authorizes reapplication in a shorter time.

8. Except as otherwise provided in this subsection, if a person has applied for a registry identification card or letter of approval pursuant to this
section and the Division has not yet approved or denied the application, the person, and the person’s designated primary caregiver, if any, shall be deemed to hold a registry identification card or letter of approval upon the presentation to a law enforcement officer of the copy of the application provided to him or her pursuant to subsection 4.

9. As used in this section, “resident” has the meaning ascribed to it in NRS 483.141.

Sec. 18. NRS 453A.220 is hereby amended to read as follows:

453A.220 1. If the Division approves an application pursuant to subsection 5 of NRS 453A.210, the Division or its designee shall, as soon as practicable after the Division approves the application:

(a) Issue a letter of approval or serially numbered registry identification card, as applicable, to the applicant; and

(b) If the applicant has designated a primary caregiver, issue a serially numbered registry identification card to the designated primary caregiver.

2. A registry identification card issued pursuant to paragraph (a) of subsection 1 must set forth:

(a) The name, address, photograph and date of birth of the applicant;
(b) The date of issuance and date of expiration of the registry identification card;
(c) The name and address of the applicant’s designated primary caregiver, if any;
(d) The name of the applicant’s designated medical marijuana dispensary, if any;
(e) Whether the applicant is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200; and
(f) Any other information prescribed by regulation of the Division.

3. A letter of approval issued pursuant to paragraph (a) of subsection 1 must set forth:

(a) The name, address and date of birth of the applicant;
(b) The date of issuance and date of expiration of the registry identification card of the designated primary caregiver;
(c) The name and address of the applicant’s designated primary caregiver;
(d) The name of the applicant’s designated medical marijuana dispensary, if any; and
(e) Any other information prescribed by regulation of the Division.

4. A registry identification card issued pursuant to paragraph (b) of subsection 1 must set forth:

(a) The name, address and photograph of the designated primary caregiver;
(b) The date of issuance and date of expiration of the registry identification card;
(c) The name and address of the applicant for whom the person is the designated primary caregiver;
(d) The name of the designated primary caregiver’s designated medical marijuana dispensary, if any;
(e) Whether the designated primary caregiver is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200; and
(f) Any other information prescribed by regulation of the Division.

5. Except as otherwise provided in NRS 453A.225, subsection 3 of NRS 453A.230 and subsection 2 of NRS 453A.300, a registry identification card or letter of approval issued pursuant to this section is valid for a period of 1 year and may be renewed in accordance with regulations adopted by the Division.

Sec. 19. NRS 453A.225 is hereby amended to read as follows:

453A.225 1. If, at any time after the Division or its designee has issued a registry identification card or letter of approval to a person pursuant to paragraph (a) of subsection 1 of NRS 453A.220, the Division determines, on the basis of official documents or records or other credible evidence, that the person:
(a) Provided falsified information on his or her application to the Division or its designee, as described in paragraph (c) of subsection 5 of NRS 453A.210; or
(b) Has been convicted of knowingly or intentionally selling a controlled substance, as described in paragraph (e) of subsection 5 of NRS 453A.210, the Division shall immediately revoke the registry identification card or letter of approval issued to that person and shall immediately revoke the registry identification card issued to that person’s designated primary caregiver, if any.

2. If, at any time after the Division or its designee has issued a registry identification card to a person pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250, the Division determines, on the basis of official documents or records or other credible evidence, that the person has been convicted of knowingly or intentionally selling a controlled substance, as described in paragraph (e) of subsection 5 of NRS 453A.210, the Division shall immediately revoke the registry identification card issued to that person.

3. Upon the revocation of a registry identification card or letter of approval pursuant to this section:
(a) The Division shall send, by certified mail, return receipt requested, notice to the person whose registry identification card or letter of approval has been revoked, advising the person of the requirements of paragraph (b); and
(b) The person shall return his or her registry identification card or letter of approval to the Division within 7 days after receiving the notice sent pursuant to paragraph (a).
4. The decision of the Division to revoke a registry identification card or letter of approval pursuant to this section is a final decision for the purposes of judicial review.

5. A person whose registry identification card or letter of approval has been revoked pursuant to this section may not reapply for a registry identification card or letter of approval pursuant to NRS 453A.210 for 12 months after the date of the revocation, unless the Division or a court of competent jurisdiction authorizes reapplication in a shorter time.

Sec. 20. NRS 453A.230 is hereby amended to read as follows:

453A.230 1. A person to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 shall, in accordance with regulations adopted by the Division:
(a) Notify the Division of any change in the person’s name, address, telephone number, designated medical marijuana dispensary, attending physician or designated primary caregiver, if any; and
(b) Submit annually to the Division:
(1) Updated written documentation from the person’s attending physician in which the attending physician sets forth that:
(I) The person continues to suffer from a chronic or debilitating medical condition;
(II) The medical use of marijuana may mitigate the symptoms or effects of that condition; and
(III) The attending physician has explained to the person the possible risks and benefits of the medical use of marijuana; and
(2) If the person elects to designate a primary caregiver for the subsequent year and the primary caregiver so designated was not the person’s designated primary caregiver during the previous year:
(I) The name, address, telephone number and social security number of the designated primary caregiver; and
(II) A written, signed statement from the person’s attending physician in which the attending physician approves of the designation of the primary caregiver.

2. A person to whom the Division or its designee has issued a registry identification card pursuant to paragraph (b) of subsection 1 of NRS 453A.220 or pursuant to NRS 453A.250 shall, in accordance with regulations adopted by the Division, notify the Division of any change in the person’s name, address, telephone number, designated medical marijuana dispensary or the identity of the person for whom he or she acts as designated primary caregiver.

3. If a person fails to comply with the provisions of subsection 1 or 2, the registry identification card or letter of approval issued to the person shall be deemed expired. If the registry identification card or letter of approval of a
person to whom the Division or its designee issued the card or letter pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is deemed expired pursuant to this subsection, a registry identification card issued to the person’s designated primary caregiver, if any, shall also be deemed expired. Upon the deemed expiration of a registry identification card or letter of approval pursuant to this subsection:

(a) The Division shall send, by certified mail, return receipt requested, notice to the person whose registry identification card or letter of approval has been deemed expired, advising the person of the requirements of paragraph (b); and

(b) The person shall return his or her registry identification card or letter of approval to the Division within 7 days after receiving the notice sent pursuant to paragraph (a).

Sec. 21. NRS 453A.240 is hereby amended to read as follows:

453A.240 If a person to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 is diagnosed by the person’s attending physician as no longer having a chronic or debilitating medical condition, the person shall return his or her registry identification card or letter of approval and his or her designated primary caregiver, if any, shall return his or her registry identification card to the Division within 7 days after notification of the diagnosis.

Sec. 22. NRS 453A.250 is hereby amended to read as follows:

453A.250 1. If a person who applies to the Division for a registry identification card or letter of approval or to whom the Division or its designee has issued a registry identification card or letter of approval pursuant to paragraph (a) of subsection 1 of NRS 453A.220 desires or is required to designate a primary caregiver, the person must:

(a) To designate a primary caregiver at the time of application, submit to the Division the information required pursuant to paragraph (e) of subsection 2 of NRS 453A.210; or

(b) To designate a primary caregiver after the Division or its designee has issued a registry identification card or letter of approval to the person, submit to the Division the information required pursuant to subparagraph (2) of paragraph (b) of subsection 1 of NRS 453A.230.

2. A person may have only one designated primary caregiver at any one time.

3. If a person designates a primary caregiver after the time that the person initially applies for a registry identification card or letter of approval, the Division or its designee shall, except as otherwise provided in subsection 5 of NRS 453A.210, issue a registry identification card to the designated primary caregiver as soon as practicable after receiving the information submitted pursuant to paragraph (b) of subsection 1.
Sec. 23. NRS 453A.300 is hereby amended to read as follows:

453A.300 1. A person who holds a registry identification card or letter of approval issued to him or her pursuant to NRS 453A.220 or 453A.250 is not exempt from state prosecution for, nor may the person establish an affirmative defense to charges arising from, any of the following acts:

(a) Driving, operating or being in actual physical control of a vehicle or a vessel under power or sail while under the influence of marijuana.

(b) Engaging in any other conduct prohibited by NRS 484C.110, 484C.120, 484C.130, 484C.430, subsection 2 of NRS 488.400, NRS 488.410, 488.420, 488.425 or 493.130.

(c) Possessing a firearm in violation of paragraph (b) of subsection 1 of NRS 202.257.

(d) Possessing marijuana in violation of NRS 453.336 or possessing paraphernalia in violation of NRS 453.560 or 453.566:

   (I) If the possession of the marijuana or paraphernalia is discovered because the person engaged or assisted in the medical use of marijuana in:

      (1) Any public place or in any place open to the public or exposed to public view; or

      (2) Any local detention facility, county jail, state prison, reformatory or other correctional facility, including, without limitation, any facility for the detention of juvenile offenders; or

   (2) If the possession of the marijuana or paraphernalia occurs on school property.

(e) Delivering marijuana to another person who he or she knows does not lawfully hold a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250.

(f) Delivering marijuana for consideration to any person, regardless of whether the recipient lawfully holds a registry identification card or letter of approval issued by the Division or its designee pursuant to NRS 453A.220 or 453A.250.

2. Except as otherwise provided in NRS 453A.225 and in addition to any other penalty provided by law, if the Division determines that a person has willfully violated a provision of this chapter or any regulation adopted by the Division to carry out the provisions of this chapter, the Division may, at its own discretion, prohibit the person from obtaining or using a registry identification card or letter of approval for a period of up to 6 months.

3. As used in this section, “school property” means the grounds of any public school described in NRS 388.020 and any private school as defined in NRS 394.103.

Sec. 24. NRS 453A.310 is hereby amended to read as follows:

453A.310 1. Except as otherwise provided in this section and NRS 453A.300, it is an affirmative defense to a criminal charge of possession, delivery or production of marijuana, or any other criminal offense in which
possession, delivery or production of marijuana is an element, that the person charged with the offense:

(a) Is a person who:

(1) Has been diagnosed with a chronic or debilitating medical condition within the 12-month period preceding his or her arrest and has been advised by his or her attending physician that the medical use of marijuana may mitigate the symptoms or effects of that chronic or debilitating medical condition;

(2) Is engaged in the medical use of marijuana; and

(3) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the person’s attending physician to mitigate the symptoms or effects of the person’s chronic or debilitating medical condition; or

(b) Is a person who:

(1) Is assisting a person described in paragraph (a) in the medical use of marijuana; and

(2) Possesses, delivers or produces marijuana only in the amount described in paragraph (b) of subsection 3 of NRS 453A.200 or in excess of that amount if the person proves by a preponderance of the evidence that the greater amount is medically necessary as determined by the assisted person’s attending physician to mitigate the symptoms or effects of the assisted person’s chronic or debilitating medical condition.

2. A person need not hold a registry identification card or letter of approval issued to the person by the Division or its designee pursuant to NRS 453A.220 or 453A.250 to assert an affirmative defense described in this section.

3. Except as otherwise provided in this section and in addition to the affirmative defense described in subsection 1, a person engaged or assisting in the medical use of marijuana who is charged with a crime pertaining to the medical use of marijuana is not precluded from:

(a) Asserting a defense of medical necessity; or

(b) Presenting evidence supporting the necessity of marijuana for treatment of a specific disease or medical condition,

if the amount of marijuana at issue is not greater than the amount described in paragraph (b) of subsection 3 of NRS 453A.200 and the person has taken steps to comply substantially with the provisions of this chapter.

4. A defendant who intends to offer an affirmative defense described in this section shall, not less than 5 days before trial or at such other time as the court directs, file and serve upon the prosecuting attorney a written notice of the defendant’s intent to claim the affirmative defense. The written notice must:
(a) State specifically why the defendant believes he or she is entitled to assert the affirmative defense; and
(b) Set forth the factual basis for the affirmative defense.

A defendant who fails to provide notice of his or her intent to claim an affirmative defense as required pursuant to this subsection may not assert the affirmative defense at trial unless the court, for good cause shown, orders otherwise.

Sec. 25. NRS 453A.340 is hereby amended to read as follows:

453A.340 The following acts constitute grounds for immediate revocation of a medical marijuana establishment registration certificate:

1. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment, a [patient] person who holds a valid registry identification card [or the] including, without limitation, a designated primary caregiver [of such a patient.]

2. Acquiring usable marijuana or mature marijuana plants from any person other than a medical marijuana establishment agent, another medical marijuana establishment, a [patient] person who holds a valid registry identification card [or the] including, without limitation, a designated primary caregiver [of such a patient.]

3. Violating a regulation of the Division, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment registration certificate.

Sec. 26. NRS 453A.342 is hereby amended to read as follows:

453A.342 The following acts constitute grounds for the immediate revocation of the medical marijuana establishment agent registration card of a medical marijuana establishment agent:

1. Having committed or committing any excluded felony offense.
2. Dispensing, delivering or otherwise transferring marijuana to a person other than a medical marijuana establishment agent, another medical marijuana establishment, a [patient] person who holds a valid registry identification card [or the] including, without limitation, a designated primary caregiver [of such a patient.]

3. Violating a regulation of the Division, the violation of which is stated to be grounds for immediate revocation of a medical marijuana establishment agent registration card.

Sec. 27. NRS 453A.352 is hereby amended to read as follows:

453A.352 1. The operating documents of a medical marijuana establishment must include procedures:

(a) For the oversight of the medical marijuana establishment; and
(b) To ensure accurate recordkeeping, including, without limitation, the provisions of NRS 453A.354 and 453A.356.

2. Except as otherwise provided in this subsection, a medical marijuana establishment:
(a) That is a medical marijuana dispensary must have a single entrance for patrons, which must be secure, and shall implement strict security measures to deter and prevent the theft of marijuana and unauthorized entrance into areas containing marijuana.

(b) That is not a medical marijuana dispensary must have a single secure entrance and shall implement strict security measures to deter and prevent the theft of marijuana and unauthorized entrance into areas containing marijuana.

- The provisions of this subsection do not supersede any state or local requirements relating to minimum numbers of points of entry or exit, or any state or local requirements relating to fire safety.

3. A medical marijuana establishment is prohibited from acquiring, possessing, cultivating, manufacturing, delivering, transferring, transporting, supplying or dispensing marijuana for any purpose except to:

(a) Directly or indirectly assist patients who possess valid registry identification cards; and

(b) Assist patients who possess valid registry identification cards or letters of approval by way of those patients’ designated primary caregivers.

- For the purposes of this subsection, a person shall be deemed to be a patient who possesses a valid registry identification card or letter of approval if he or she qualifies for nonresident reciprocity pursuant to NRS 453A.364.

4. All cultivation or production of marijuana that a cultivation facility carries out or causes to be carried out must take place in an enclosed, locked facility at the physical address provided to the Division during the registration process for the cultivation facility. Such an enclosed, locked facility must be accessible only by medical marijuana establishment agents who are lawfully associated with the cultivation facility, except that limited access by persons necessary to perform construction or repairs or provide other labor is permissible if such persons are supervised by a medical marijuana establishment agent.

5. A medical marijuana dispensary and a cultivation facility may acquire usable marijuana or marijuana plants from a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver of such a patient. Except as otherwise provided in this subsection, the patient or caregiver, as applicable, must receive no compensation for the marijuana. A patient who holds a valid registry identification card, and the designated primary caregiver of such a patient, or the designated primary caregiver of a person who holds a letter of approval may sell usable marijuana to a medical marijuana dispensary one time and may sell marijuana plants to a cultivation facility one time.

6. A medical marijuana establishment shall not allow any person to consume marijuana on the property or premises of the establishment.

7. Medical marijuana establishments are subject to reasonable inspection by the Division at any time, and a person who holds a medical marijuana establishment registration certificate must make himself or herself, or a
designee thereof, available and present for any inspection by the Division of the establishment.

Sec. 28. NRS 453A.364 is hereby amended to read as follows:

453A.364. 1. The State of Nevada and the medical marijuana dispensaries in this State which hold valid medical marijuana establishment registration certificates will recognize a nonresident card only under the following circumstances:
(a) The state or jurisdiction from which the holder or bearer obtained the nonresident card grants an exemption from criminal prosecution for the medical use of marijuana;
(b) The state or jurisdiction from which the holder or bearer obtained the nonresident card requires, as a prerequisite to the issuance of such a card, that a physician advise the person that the medical use of marijuana may mitigate the symptoms or effects of the person’s medical condition;
(c) The nonresident card has an expiration date and has not yet expired;
(d) The holder or bearer of the nonresident card signs an affidavit in a form prescribed by the Division which sets forth that the holder or bearer is entitled to engage in the medical use of marijuana in his or her state or jurisdiction of residence; and
(e) The holder or bearer of the nonresident card agrees to abide by, and does abide by, the legal limits on the possession of marijuana for medical purposes in this State, as set forth in NRS 453A.200.
2. For the purposes of the reciprocity described in this section:
(a) The amount of medical marijuana that the holder or bearer of a nonresident card is entitled to possess in his or her state or jurisdiction of residence is not relevant; and
(b) Under no circumstances, while in this State, may the holder or bearer of a nonresident card possess marijuana for medical purposes in excess of the limits set forth in NRS 453A.200.
3. As used in this section, “nonresident card” means a card or other identification that:
(a) Is issued by a state or jurisdiction other than Nevada; and
(b) Is the functional equivalent of a registry identification card or letter of approval, as determined by the Division.

Sec. 29. NRS 453A.366 is hereby amended to read as follows:

453A.366. 1. A patient who holds a valid registry identification card or letter of approval and his or her designated primary caregiver, if any, may select one medical marijuana dispensary to serve as his or her designated medical marijuana dispensary at any one time.
2. A patient who designates a medical marijuana dispensary as described in subsection 1:
(a) Shall communicate the designation to the Division within the time specified by the Division.
(b) May change his or her designation not more than once in a 30-day period.

Sec. 30. NRS 453A.370 is hereby amended to read as follows:

453A.370 The Division shall adopt such regulations as it determines to be necessary or advisable to carry out the provisions of NRS 453A.320 to 453A.370, inclusive. Such regulations are in addition to any requirements set forth in statute and must, without limitation:

1. Prescribe the form and any additional required content of registration and renewal applications submitted pursuant to NRS 453A.322 and 453A.332.

2. Set forth rules pertaining to the safe and healthful operation of medical marijuana establishments, including, without limitation:
   (a) The manner of protecting against diversion and theft without imposing an undue burden on medical marijuana establishments or compromising the confidentiality of the holders of registry identification cards and letters of approval.
   (b) Minimum requirements for the oversight of medical marijuana establishments.
   (c) Minimum requirements for the keeping of records by medical marijuana establishments.
   (d) Provisions for the security of medical marijuana establishments, including, without limitation, requirements for the protection by a fully operational security alarm system of each medical marijuana establishment.
   (e) Procedures pursuant to which medical marijuana dispensaries must use the services of an independent testing laboratory to ensure that any marijuana, edible marijuana products and marijuana-infused products sold by the dispensaries to end users are tested for content, quality and potency in accordance with standards established by the Division.
   (f) Procedures pursuant to which a medical marijuana dispensary will be notified by the Division if a patient who holds a valid registry identification card or letter of approval has chosen the dispensary as his or her designated medical marijuana dispensary, as described in NRS 453A.366.

3. Establish circumstances and procedures pursuant to which the maximum fees set forth in NRS 453A.344 may be reduced over time:
   (a) To ensure that the fees imposed pursuant to NRS 453A.344 are, insofar as may be practicable, revenue neutral; and
   (b) To reflect gifts and grants received by the Division pursuant to NRS 453A.720.

4. Set forth the amount of usable marijuana that a medical marijuana dispensary may dispense to a person who holds a valid registry identification card, including, without limitation, a designated primary caregiver of such a person, in any one 14-day period. Such an amount must not exceed the limits set forth in NRS 453A.200.
5. As far as possible while maintaining accountability, protect the identity and personal identifying information of each person who receives, facilitates or delivers services in accordance with this chapter.

6. In cooperation with the Board of Medical Examiners and the State Board of Osteopathic Medicine, establish a system to:
   (a) Register and track attending physicians who advise their patients that the medical use of marijuana may mitigate the symptoms or effects of the patient’s medical condition;
   (b) Insofar as is possible, track and quantify the number of times an attending physician described in paragraph (a) makes such an advisement; and
   (c) Provide for the progressive discipline of attending physicians who advise the medical use of marijuana at a rate at which the Division and Board determine and agree to be unreasonably high.

7. Establish different categories of medical marijuana establishment agent registration cards, including, without limitation, criteria for training and certification, for each of the different types of medical marijuana establishments at which such an agent may be employed or volunteer.

8. Provide for the maintenance of a log by the Division of each person who is authorized to cultivate, grow or produce marijuana pursuant to subsection 6 of NRS 453A.200. The Division shall ensure that the contents of the log are available for verification by law enforcement personnel 24 hours a day.

9. Address such other matters as may assist in implementing the program of dispensation contemplated by NRS 453A.320 to 453A.370, inclusive.

Sec. 31. NRS 453A.400 is hereby amended to read as follows:

453A.400 1. The fact that a person possesses a registry identification card or letter of approval issued to the person by the Division or its designee pursuant to NRS 453A.220 or 453A.250, a medical marijuana establishment registration certificate issued to the person by the Division or its designee pursuant to NRS 453A.322 or a medical marijuana establishment agent registration card issued to the person by the Division or its designee pursuant to NRS 453A.332 does not, alone:
   (a) Constitute probable cause to search the person or the person’s property; or
   (b) Subject the person or the person’s property to inspection by any governmental agency.

2. Except as otherwise provided in this subsection, if officers of a state or local law enforcement agency seize marijuana, paraphernalia or other related property from a person engaged in, facilitating or assisting in the medical use of marijuana:
   (a) The law enforcement agency shall ensure that the marijuana,
paraphernalia or other related property is not destroyed while in the possession of the law enforcement agency.

(b) Any property interest of the person from whom the marijuana, paraphernalia or other related property was seized must not be forfeited pursuant to any provision of law providing for the forfeiture of property, except as part of a sentence imposed after conviction of a criminal offense.

(c) Upon a determination by the district attorney of the county in which the marijuana, paraphernalia or other related property was seized, or the district attorney’s designee, that the person from whom the marijuana, paraphernalia or other related property was seized is engaging in or assisting in the medical use of marijuana in accordance with the provisions of this chapter, the:

(1) A decision not to prosecute;
(2) The dismissal of charges; or
(3) Acquittal,
the law enforcement agency shall, to the extent permitted by law, return to that person any usable marijuana, marijuana plants, paraphernalia or other related property that was seized.

The provisions of this subsection do not require a law enforcement agency to care for live marijuana plants.

3. For the purposes of paragraph (c) of subsection 2, the determination of a district attorney or the district attorney’s designee that a person is engaging in or assisting in the medical use of marijuana in accordance with the provisions of this chapter shall be deemed to be evidenced by:

(a) A decision not to prosecute;
(b) The dismissal of charges; or
(c) Acquittal.

Sec. 32. NRS 453A.500 is hereby amended to read as follows:

453A.500 The Board of Medical Examiners or the State Board of Osteopathic Medicine, as applicable, shall not take any disciplinary action against an attending physician on the basis that the attending physician:

1. Advised a person whom the attending physician has diagnosed as having a chronic or debilitating medical condition, or a person whom the attending physician knows has been so diagnosed by another physician licensed to practice medicine pursuant to the provisions of chapter 630 of NRS or licensed to practice osteopathic medicine pursuant to the provisions of chapter 633 of NRS:

(a) About the possible risks and benefits of the medical use of marijuana; or

(b) That the medical use of marijuana may mitigate the symptoms or effects of the person’s chronic or debilitating medical condition,
if the advice is based on the attending physician’s personal assessment of the person’s medical history and current medical condition.
2. Provided the written documentation required pursuant to paragraph (a) of subsection 2 of NRS 453A.210 for the issuance of a registry identification card or letter of approval or pursuant to subparagraph (1) of paragraph (b) of subsection 1 of NRS 453A.230 for the renewal of a registry identification card or letter of approval if:
   (a) Such documentation is based on the attending physician’s personal assessment of the person’s medical history and current medical condition; and
   (b) The physician has advised the person about the possible risks and benefits of the medical use of marijuana.

Sec. 33. NRS 453A.510 is hereby amended to read as follows:

453A.510 A professional licensing board shall not take any disciplinary action against a person licensed by the board on the basis that:
1. The person engages in or has engaged in the medical use of marijuana in accordance with the provisions of this chapter; or
2. The person acts as or has acted as the designated primary caregiver of a person who holds a registry identification card or letter of approval issued to him or her pursuant to paragraph (a) of subsection 1 of NRS 453A.220.

Sec. 34. NRS 453A.700 is hereby amended to read as follows:

453A.700 1. Except as otherwise provided in this section, NRS 239.0115 and subsection 4 of NRS 453A.210, the Division or any designee of the Division shall maintain the confidentiality of and shall not disclose:
(a) The contents of any applications, records or other written documentation that the Division or its designee creates or receives pursuant to the provisions of this chapter; or
d) Any information, documents or communications provided to the Division by an applicant or its affiliate pursuant to the provisions of this chapter, without the prior written consent of the applicant or affiliate or pursuant to a lawful court order after timely notice of the proceedings has been given to the applicant or affiliate.
(c) The name or any other identifying information of:
(1) An attending physician; or
(2) A person who has applied for or to whom the Division or its designee has issued a registry identification card or letter of approval.

Except as otherwise provided in NRS 239.0115, the items of information described in this subsection are confidential, not subject to subpoena or discovery and not subject to inspection by the general public.
2. Notwithstanding the provisions of subsection 1, the Division or its designee may release the name and other identifying information of a person to whom the Division or its designee has issued a registry identification card or letter of approval to:
(a) Authorized employees of the Division or its designee as necessary to perform official duties of the Division; and

(b) Authorized employees of state and local law enforcement agencies, only as necessary to verify that a person is the lawful holder of a registry identification card or letter of approval issued to him or her pursuant to NRS 453A.220 or 453A.250.

Sec. 35. NRS 453A.740 is hereby amended to read as follows:

453A.740 The Administrator of the Division shall adopt such regulations as the Administrator determines are necessary to carry out the provisions of this chapter. The regulations must set forth, without limitation:

1. Procedures pursuant to which the Division will issue a registry identification card or letter of approval or, in cooperation with the Department of Motor Vehicles, cause a registry identification card to be prepared and issued to a qualified person as a type of identification card described in NRS 483.810 to 483.890, inclusive. The procedures described in this subsection must provide that the Division will:
   (a) Issue a registry identification card or letter of approval to a qualified person; or
   (b) Designate the Department of Motor Vehicles to issue a registry identification card to a person if:
      (1) The person presents to the Department of Motor Vehicles valid documentation issued by the Division indicating that the Division has approved the issuance of a registry identification card to the person; and
      (2) The Department of Motor Vehicles, before issuing the registry identification card, confirms by telephone or other reliable means that the Division has approved the issuance of a registry identification card to the person.

2. That if the Division issues a registry identification card pursuant to subsection 1, the Division may charge and collect any fee authorized for the issuance of an identification card described in NRS 483.810 to 483.890, inclusive.

3. Fees for:
   (a) Providing to an applicant an application for a registry identification card or letter of approval, which fee must not exceed $25; and
   (b) Processing and issuing a registry identification card or letter of approval, which fee must not exceed $75.

Sec. 36. NRS 453A.800 is hereby amended to read as follows:

453A.800 The provisions of this chapter do not:

1. Require an insurer, organization for managed care or any person or entity who provides coverage for a medical or health care service to pay for or reimburse a person for costs associated with the medical use of marijuana.
2. Require any employer to allow the medical use of marijuana in the workplace.

3. Except as otherwise provided in subsection 4, require an employer to modify the job or working conditions of a person who engages in the medical use of marijuana that are based upon the reasonable business purposes of the employer but the employer must attempt to make reasonable accommodations for the medical needs of an employee who engages in the medical use of marijuana if the employee holds a valid registry identification card, provided that such reasonable accommodation would not:
   (a) Pose a threat of harm or danger to persons or property or impose an undue hardship on the employer; or
   (b) Prohibit the employee from fulfilling any and all of his or her job responsibilities.

4. Prohibit a law enforcement agency from adopting policies and procedures that preclude an employee from engaging in the medical use of marijuana.

5. As used in this section, “law enforcement agency” means:
   (a) The Office of the Attorney General, the office of a district attorney within this State or the State Gaming Control Board and any attorney, investigator, special investigator or employee who is acting in his or her professional or occupational capacity for such an office or the State Gaming Control Board; or
   (b) Any other law enforcement agency within this State and any peace officer or employee who is acting in his or her professional or occupational capacity for such an agency.

Sec. 37. This act becomes effective on July 1, 2015.

Senator Brower moved the adoption of the amendment.

Remarks by Senator Brower.

The amendment does the following: adds new language to the bill addressing the issuance of medical marijuana registry identification cards by the Division of Public and Behavioral Health; defines “concentrated cannabis” and various other related terms for the purposes of certain crimes related to controlled substances. This includes prohibiting the use, possession, trafficking, and manufacture of concentrated cannabis except as provided for in law relating to the production of medicinal marijuana products; includes technical changes to the definition of medical marijuana establishment and certain related confidentiality provisions.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Kieckhefer moved that Senate Bill No. 302 be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 252.

Bill read third time.

The following amendment was proposed by Senator Spearman:
Amendment No. 366.

AN ACT relating to business; [revising provisions governing] providing for the imposition, [collection] administration and [enforcement] payment of [the state business license] a supplemental revenue fee [to establish a business license fee based on the Nevada gross revenue of a business; revising provisions relating to the issuance of state business licenses and transferring certain responsibilities from the Secretary of State to the Department of Taxation] by certain business entities engaged in business in this State; revising provisions governing the annual state business license fee; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law imposes an annual fee of $200 for a state business license that must be paid to the Secretary of State. (NRS 76.100, 76.130) On July 1, 2015, this fee is scheduled to change to $100. (Chapter 429, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, at p. 3426)

Section 163 of this bill repeals the provisions of existing law governing the annual state business license fee, and section 19 of this bill instead requires a person who conducts a business in this State to pay a state business license fee that is based on the industry in which the business is primarily engaged and the Nevada gross revenue of the business. Under sections 19 and 22 of this bill, a business that does not pay any wages may file a report and pay the state business license fee annually on a due date approved by the Department of Taxation. Section 3 of this bill sets forth the businesses that are required to pay the state business license fee and the businesses that are exempt from that requirement. Sections 1-62 of this bill impose a quarterly supplemental revenue fee on each business entity engaged in business in this State whose taxable gross receipts exceed $25,000 in a calendar quarter, effective July 1, 2015. Section 19 of this bill requires each business entity engaging in business in this State to file a return with the Department of Taxation not later than 45 calendar days after the end of each calendar quarter of a fiscal year. Under section 19, a business entity whose taxable gross receipts for that calendar quarter exceed $25,000 must remit with the return a fee in an amount equal to $50 plus 0.17 percent of the portion of its taxable gross receipts for that calendar quarter that exceed $25,000. In accordance with section [6] of this bill, the taxable gross [revenue] receipts of a business entity are determined by taking the amount of the gross [revenue] receipts of the business calculated in accordance with section 5 of this bill, making certain subtractions under section 20 of this bill and situsing the gross [revenue] receipts of the business entity, as adjusted under section 20, to Nevada pursuant to section 21 of this bill. [The amount of the state business license fee owed by a business is set forth in the tables enacted]
Sections 1-66 of this bill provide for the administration, collection and enforcement of the state business license supplemental revenue fee by the Department of Taxation. Section 51 of this bill: (1) authorizes the Department to revoke the state business license of a person who fails to pay the state business license fee; and (2) requires the Secretary of State to revoke the charter or authority to transact business in this State of a business entity whose state business license is revoked by the Department. Sections 51, 76, 77, 79, 81, 83, 85, 87, 89, 91, 93, 95, 97, 99, 101 and 103 of this bill prohibit the Department from issuing a new state business license, and prohibit the Secretary of State from reinstating a business entity’s charter or authority to transact business in this State, unless the state business license fee is paid. Section 65 of this bill authorizes the Department to impose the penalties and interest applicable to other fees and taxes collected by the Department if a person who conducted a business fails to pay the state business license fee. However, under section 161 of this bill, no penalties or interest may be imposed for a failure to pay the state business license fee which occurs before September 1, 2016, regardless of when the Department determines that the person failed to pay the fee, if the failure occurred despite the exercise of ordinary care and was not intentional or the result of willful neglect.

Sections 75, 78, 80, 82, 84, 86, 88, 90, 92, 94, 96, 98, 100 and 102 of this bill change references to the current state business license so that a business entity must file with its initial and annual list a declaration under penalty of perjury that it has complied with the provisions governing the state business license fee established by this bill.

Sections 104.3, 151.3, 158.4, 158.8, 159.1, 159.25, 159.3, 159.45, 159.5, 159.6, 159.75 and 159.9 of this bill authorize various licensing boards and other regulatory entities to take disciplinary action against certain business entities who fail to pay the state business license supplemental revenue fee. Sections 104.7, 151.5, 151.7, 158.2, 158.6, 159.15, 159.2, 159.35 and 159.4 of this bill authorize the Department of Taxation to obtain certain records and information from those regulatory entities to assist the Department in its administration of the state business license supplemental revenue fee.

Sections 69-74, 104, 105-151, 152-158 and 159 of this bill change references to the existing state business license issued by the Secretary of State to refer to the state business license issued by the Department of Taxation.

Sections 159.65, 159.7, 159.8, 159.85, 159.93 and 159.97 of this bill amend various provisions of the Nevada Insurance Code to specifically provide that entities regulated under that code are required to comply with
the requirements of this bill regarding the supplemental revenue fee.

Existing law imposes an annual fee of $200 for a state business license. (NRS 76.100, 76.130) On July 1, 2015, this fee is scheduled to change to $100. (Chapter 429, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, at p. 3426) Sections 159.99 and 163 of this bill make the $200 annual fee for a state business license permanent. However, under sections 74.3 and 74.7 of this bill, a business entity that does not perform a service or engage in a trade for profit is required to pay a $400 annual fee for a state business license.

WHEREAS, According to “Quality Counts 2015,” a state-by-state report published by Education Week, Nevada’s system of K-12 public education underperforms by almost every measure of adequacy and educational attainment; and

WHEREAS, By way of example, Nevada ranks last in the nation in the percentage of 3- and 4-year-old children who are enrolled in preschool; and

WHEREAS, Nevada ranks 45th in the percentage of students in grade 4 who demonstrate proficiency in reading, and 41st in the percentage of students in grade 8 who are proficient in mathematics; and

WHEREAS, Only 70 percent of high school students in Nevada graduate with a diploma, making Nevada’s high school graduation rate the worst in the nation; and

WHEREAS, Based upon this data and information about family income, parental education and adult educational attainment, the Education Week report ranks Nevada last in the Chance for Success Index, which evaluates the role of education over the lifetime of each person; and

WHEREAS, Many students of color, students in poverty, students who are English language learners and students with a disability lag far behind in overall student achievement, requiring new forms of support to succeed; and

WHEREAS, The citizens of Nevada, and particularly the children of this State, deserve better; and

WHEREAS, The complexities of improving our failing school system require new approaches and a source of revenue that will grow with our economy over time; and

WHEREAS, Nevada has invested hundreds of millions of dollars in attracting new businesses in an effort to diversify and expand the State’s economy; and

WHEREAS, The success of that effort and the future prosperity of Nevada are vitally dependent on investing in and improving our system of public education;

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 2 to 62, inclusive, of this act.

Sec. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 2.3 to 11, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 2.3. 1. “Affiliated group” means a group of two or more business entities, each of which is controlled by one or more common owners or by one or more members of the group.

2. As used in this chapter, “controlled by” means the direct or indirect ownership, control or possession of 50 percent or more of a business entity.

Sec. 2.7. “Business” means any activity engaged in or caused to be engaged in with the object of gain, benefit or advantage, either direct or indirect, to any person or governmental entity.

Sec. 3. 1. Except as otherwise provided in subsection 2, “business” means:

(a) Any person, except a natural person, that performs a service or engages in a trade for profit;

(b) Any natural person engaging in a business if the person is required to file with the Internal Revenue Service a Schedule C (Form 1040), Profit or Loss From Business, or its equivalent or successor form, a Schedule E (Form 1040), Supplemental Income and Loss, or its equivalent or successor form, or a Schedule F (Form 1040), Profit or Loss From Farming, or its equivalent or successor form, for that activity; or

(c) Any entity organized pursuant to title 7 of NRS, including, without limitation, those entities required to file with the Secretary of State, whether or not the entity performs a service or engages in a business for profit.

2. The term does not include:

(a) Any person or other entity which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.

(b) A governmental entity.

(c) A nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).

(d) A natural person who operates a business from his or her home and whose net earnings from that business are not more than 66 2/3 percent of the average annual wage, as computed for the preceding calendar year pursuant to chapter 612 of NRS and rounded to the nearest hundred dollars.

(e) A natural person whose sole business is the rental of four or fewer dwelling units to others.

(f) A business organized pursuant to chapter 82 or 84 of NRS.

(g) A credit union organized under the provisions of chapter 678 of NRS or the Federal Credit Union Act.
(h) A grantor trust as defined by sections 671 and 7701(a)(30)(E) of the Internal Revenue Code, 26 U.S.C. §§ 671 and 7701(a)(30)(E), all of the grantors and beneficiaries of which are natural persons or charitable entities as described in section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3), excluding a trust taxable as a business entity pursuant to 26 C.F.R. § 301.7701-4(b).


(j) A real estate investment trust, as defined by section 856 of the Internal Revenue Code, 26 U.S.C. § 856, and its qualified real estate investment trust subsidiaries, as defined by section 856(i)(2) of the Internal Revenue Code, 26 U.S.C. § 856(i)(2), except that:

(1) A real estate investment trust with any amount of its assets in direct holdings of real estate, other than real estate it occupies for business purposes, as opposed to holding interests in limited partnerships or other entities that directly hold the real estate, is a business pursuant to this section; and

(2) A limited partnership or other entity that directly holds the real estate as described in subparagraph (1) is a business pursuant to this section, without regard to whether a real estate investment trust holds an interest in it.

(k) A real estate mortgage investment conduit, as defined by section 860D of the Internal Revenue Code, 26 U.S.C. § 860D.

(l) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).

(m) A trust qualified under section 401(a) of the Internal Revenue Code, 26 U.S.C. § 401(a).

(n) A passive entity.

Sec. 3.3. “Commission” means the Nevada Tax Commission.

Sec. 3.7. “Engaging in a business” means commencing, conducting or continuing a business, the exercise of corporate or franchise powers regarding a business and the liquidation of a business which is or was engaging in a business when the liquidator holds itself out to the public as conducting that business.

Sec. 4. “Fiscal year” means the 12-month period beginning on the first day of July and ending on the last day of June.

Sec. 4.5. “Governmental entity” means:

1. The United States and any of 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 and any of its unincorporated agencies and instrumentalities.

4. Any county, city, district or other political subdivision of this State.

Sec. 5. 1. Except as otherwise provided in this section, “gross receipts” means the total amount realized by a person from the conduct of a business entity from engaging in a business in this State, without deduction for the cost of goods sold or other expenses incurred, that contributes to the production of gross income, including, without limitation, the fair market value of any property and any services received, and any debt transferred or forgiven as consideration.

2. The term includes, without limitation:
   (a) Amounts realized from the sale, exchange or other disposition of a business entity’s property;
   (b) Amounts realized from a business entity’s performance of services;
   (c) Amounts realized from another’s possession of a business entity’s property or capital; and
   (d) Any combination of those amounts.

3. The term does not include amounts realized from the sale, exchange, disposition or other grant of the right to use trademarks, trade names, patents, copyrights and similar intellectual property.

Sec. 6. “Nevada gross revenue” means the gross revenue of a person from conducting a business in this State, as adjusted pursuant to section 20 of this act and situated to this State pursuant to section 21 of this act. (Deleted by amendment.)

Sec. 7. “North American Industry Classification System” or “NAICS” means the 2012 North American Industry Classification System published by the Bureau of the Census of the United States Department of Commerce. (Deleted by amendment.)

Sec. 8. “Pass-through revenue” means:
   (a) Revenue received by a business entity that is required by law or fiduciary duty to be distributed to another person or governmental entity;
   (b) Taxes collected from a third party by a business entity and remitted by the business entity to a taxing authority;
   (c) Reimbursement for advances made by a business entity on behalf of a customer or client, other than with respect to services rendered or with respect to purchases of goods by the business entity in carrying out the business in which it engages;
   (d) Revenue received by a business entity that is mandated by contract or subcontract to be distributed to another only if the revenue constitutes:
      (1) Sales commissions that are paid to a person who is not an employee
of the business entity, including, without limitation, a split-fee real estate commission;

(2) The tax basis of securities underwritten by the business entity, as determined for the purposes of federal income taxation; or

(3) Subcontracting payments under a contract or subcontract entered into by a business entity to provide services, labor or materials in connection with the actual or proposed design, construction, remodeling, remediation or repair of improvements on real property or the location of the boundaries of real property;

(e) Revenue received by a business entity that provides legal services only if the revenue received by the business entity is:

(1) Mandated by law, fiduciary duty or contract to be distributed to a claimant by the claimant’s attorney or to another on behalf of a claimant by the claimant’s attorney, including, without limitation, revenue received:

(I) For damages due to a client represented by the business entity;

(II) That are subject to a lien or other contractual obligation arising out of the representation provided by the business entity, other than fees owed to the business for the provision of legal services;

(III) That are subject to a subrogation interest or other third-party contractual claim; and

(IV) That are required to be paid to another attorney who provided legal services in a matter and who is not a member, partner, shareholder or employee of the business entity; and

(2) Reimbursement of the expenses incurred by the business entity in providing legal services to a claimant that are specific to the claimant’s matter and that are not general operating expenses of the business entity; or

(f) Revenue received by a business entity that is part of an affiliated group from another member of the affiliated group.

2. As used in this section:

(a) “Affiliated group” means a group of two or more businesses, each of which is controlled by one or more common owners or by one or more members of the group.

(b) “Controlled by” means the direct or indirect ownership, control or possession of 50 percent or more of a business.

(c) “Sales commission” means:

(1) Any form of compensation paid to a person for engaging in an act for which a license is required pursuant to chapter 645 of NRS; or

(2) Compensation paid to a sales representative by a principal in an amount that is based on the amount or level of certain orders for or sales on behalf of the principal and that the principal is required to report on Internal Revenue Service Form 1099-MISC, Miscellaneous Income.

Sec. 9. “State business license” means the business license required pursuant to this chapter. (Deleted by amendment)
Sec. 10. "State business license fee" means the business license fee required to be paid pursuant to this chapter. (Deleted by amendment.)

Sec. 10.5. "Taxable gross receipts" means the gross receipts of a business entity, as adjusted pursuant to section 20 of this act and sitused to this State pursuant to section 21 of this act.

Sec. 11. "Wages" means any remuneration paid for personal services, including, without limitation, commissions, and bonuses and remuneration payable in any medium other than cash. (Deleted by amendment.)

Sec. 12. 1. For the purposes of this chapter, a business entity is a "passive entity" only if:
(a) The business entity is a general partnership, limited-liability partnership or limited partnership or a trust, other than a business trust;
(b) During the period for which gross revenue of the business entity is reported pursuant to section 19 of this act, the business entity's federal gross income consists of at least 90 percent of the following income:
(1) Dividends, interest, foreign currency exchange gain, periodic and nonperiodic payments with respect to notional principal contracts, option premiums, cash settlements or termination payments with respect to a financial instrument, and income from a limited-liability company;
(2) Capital gains from the sale of real property, gains from the sale of commodities traded on a commodities exchange and gains from the sale of securities; and
(3) Royalties, bonuses or delay rental income from mineral properties and income from other non-operating mineral interests; and
(c) The business entity does not receive more than 10 percent of its federal gross income from conducting an active trade or business.
2. As used in paragraph (b) of subsection 1, the term "income" does not include any:
(a) Rent; or
(b) Income received by a non-operator from mineral properties under a joint operating agreement if the non-operator is a member of an affiliated group and another member of that group is the operator under that joint operating agreement.
3. For the purposes of paragraph (c) of subsection 1:
(a) Except as otherwise provided in this subsection, a business entity is "conducting an active trade or business" if:
(1) The activities being carried on by the business entity include one or more active operations that form a part of the process of earning income or profit, and the entity performs active management and operating functions; or
(2) Any assets, including, without limitation, royalties, patents, trademarks and other intangible assets, held by the business entity are used in the active trade or business of one or more related entities.
(b) The ownership of a royalty interest or a non-operating working interest in mineral rights does not constitute the conduct of an active trade or business.

(c) The payment of compensation to employees or independent contractors for financial or legal services reasonably necessary for the operation of a business entity does not constitute the conduct of an active trade or business.

(d) Holding a seat on the board of directors of a business entity does not by itself constitute the conduct of an active trade or business.

(e) Activities performed by a business entity include activities performed by persons outside the business entity, including independent contractors, to the extent that those persons perform services on behalf of the business entity and those services constitute all or any part of the business entity’s trade or business.

Sec. 13. For the purposes of this chapter, a person shall be deemed to be conducting a business in this State if a business for which the person is responsible:

(a) Is organized pursuant to title 7 of NRS, other than a business organized pursuant to:

1. Chapter 82 or 84 of NRS, or
2. Chapter 81 of NRS if the business is a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c);

(b) Has an office or other base of operations in this State;

(c) Has a registered agent in this State;

(d) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid; or

(e) Has a sufficient nexus with this State to satisfy the requirements of the United States Constitution.

2. As used in this section, “registered agent” has the meaning ascribed to it in NRS 77.230. (Deleted by amendment.)

Sec. 13.5. For the purposes of this chapter, if a person conducting a business in this State is conducting business in more than one business category set forth in sections 22 to 49, inclusive, of this act, the person shall be deemed to be primarily engaged in the business category in which the highest percentage of its Nevada gross revenue is generated. (Deleted by amendment.)

Sec. 14. The Department shall:

1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for those purposes.

2. Deposit all fees, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

Sec. 15. 1. Each person responsible for maintaining the records of a business entity shall:
(a) Keep such records as may be necessary to determine the amount of the state business license fee owed by liability of the business entity pursuant to the provisions of this chapter;
(b) Preserve those records for 4 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 by regulation specify the types of records which must be kept to determine the amount of the state business license fee owed by liability of the business entity pursuant to the provisions of this chapter. The regulations adopted by the Department pursuant to this subsection must specify:
   (a) The type of information that a person conducting a business in this State business entity must keep in the normal course of its financial recordkeeping for the purpose of determining the amount of the state business license fee owed by liability of the business entity pursuant to the provisions of this chapter; and
   (b) The records that must be kept by a business entity that, pursuant to section 50 of this act, elects an accounting method for reporting its Nevada gross revenue taxable gross receipts and determining the amount of the state business license fee owed by liability of the business entity pursuant to the provisions of this chapter, that is different from the accounting method used by the business entity in the normal course of its financial recordkeeping.

Sec. 16. The Executive Director may request from any other governmental agency or officer such information as the Executive Director deems necessary to carry out the provisions of this chapter. If the Executive Director obtains any confidential information pursuant to such a request, he or she shall maintain the confidentiality of that information in the same manner and to the same extent as provided by law for the agency or officer from whom the information was obtained.

Sec. 17. 1. To verify the accuracy of any report return filed by a person conducting a business in this State pursuant to section 19 of this act or, if no such report return is filed by a business entity, to determine the amount of the state business license fee 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 state business license fee imposed by this chapter.
2. Any person who may be liable for the state business license fee imposed by this chapter and who keeps outside of this State any books, papers or 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 the 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. 18. 1. A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Department.

2. An application for a state business license must:
   (a) Be made upon a form prescribed by the Department.
   (b) Set forth the name under which the applicant transacts or intends to transact business or, if the applicant is an entity organized pursuant to title 7 of NRS and on file with the Secretary of State, the exact name on file with the Secretary of State, the number assigned by the Secretary of State, if known, and the location in this State of the place or places of business, and
   (c) Include any other information that the Department deems necessary.
   
3. If the applicant is an entity organized pursuant to title 7 of NRS and on file with the Secretary of State and the applicant has no location in this State of its place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.

4. The application and report required by this section must be signed pursuant to NRS 230.230 by:
   (a) The owner of a business that is owned by a natural person.
   (b) A member or partner of an association or partnership.
   (c) A general partner of a limited partnership.
   (d) A managing partner of a limited liability partnership.
   (e) A manager or managing member of a limited liability company.
   (f) An officer or a corporation or some other person specifically authorized by the corporation to sign the application.

5. If the application for a state business license is defective in any respect, the Department may return the application for correction.

6. The state business license required by this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

7. As used in this section, “registered agent” has the meaning ascribed to it in NRS 77.230. (Deleted by amendment.)

Sec. 19. 1. In addition to obtaining a state business license pursuant to section 18 of this act, a person conducting a business in this State during a calendar quarter of a fiscal year shall pay a state business license fee in an amount determined pursuant to sections 22 to 49, inclusive, of this act. For the privilege of engaging in business in this State, a supplemental revenue fee is hereby imposed upon each business entity whose taxable gross receipts in a calendar quarter of a fiscal year exceed $25,000 in an amount equal to $50 plus 0.17 percent of the taxable gross receipts of the business entity for that calendar quarter in excess of $25,000. The fee is due and payable as provided in this section.
2. [Except as otherwise provided in this subsection, each person conducting] Each business entity engaging in a business in this State during a calendar quarter of a fiscal year shall, on or before the 45th day immediately following the end of each calendar quarter of the fiscal year, file with the Department a report on a form prescribed by the Department. The Department may authorize a person conducting a business in this State that does not pay any wages during any calendar quarter, as described in subsection 1 of section 22 of this act, to file the report annually on a due date approved by the Department.

3. The report required by this subsection must [be]
   (a) Signed pursuant to NRS 239.330 by the person required to file the return or by the person's authorized agent;
   (b) State the gross revenue and the Nevada gross revenue of the business for the calendar quarter;
   (c) Be accompanied by the state business license fee determined pursuant to sections 22 to 49, inclusive, of this act for the business category in which the business conducted by the person was primarily engaged during the calendar quarter; and
   (d) Include such other information as is required by the Department.

4. For the purposes of determining the amount of the state business license fee due pursuant to sections 22 to 49, inclusive, of this act, the initial report filed with the Department pursuant to subsection 2 must designate the business category in which the business conducted by the person is primarily engaged. A person conducting a business may not change the business category designated in the initial report filed for that business unless the person applies to the Department to change such designation and the Department determines that the business is no longer primarily engaged in the business category designated in the initial report.

5. Upon written application made before the date on which payment must be made, the Department may for good cause extend by not more than 30 days the time within which a business is required to pay the state business license fee. If the fee 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 business shall pay interest at the rate of 0.75 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.

6. If a business incorrectly reports its Nevada gross revenue for a calendar quarter, the business must file an amended return and, for the purposes of determining the amount of the state business license fee required to be paid, include the Nevada gross revenue in the calendar quarter in which the Nevada gross revenue should have been reported.

7. The state business license fee required to be paid pursuant to this section is in addition to any fee for a license to conduct business that must be paid to the local jurisdiction in which the business is being conducted.
business entity shall remit with the return the amount of the fee due pursuant to subsection 1.

Sec. 19.5. 1. In addition to the returns required by section 19 of this act, a business entity that is a member of an affiliated group and is engaged in a unitary business in this State with one or more other members of the affiliated group shall file with the Department such reports regarding the unitary business as the Department determines to be appropriate for the administration and enforcement of the provisions of this chapter.

2. The Department may allow two or more business entities that are members of an affiliated group to file a consolidated return for the purposes of this chapter if the business entities are allowed to file a consolidated return for the purposes of federal income taxation.

3. As used in this section, “unitary business” means a business characterized by unity of ownership, functional integration, centralization of management and economy of scale.

Sec. 20. 1. In computing the supplemental revenue fee owed by a business entity pursuant to this chapter, the following amounts must be subtracted:

(a) Any gross receipts which this State is prohibited from taxing pursuant to the Constitution or laws of the United States or the Nevada Constitution.

(b) Any gross receipts of the business entity attributable to dividends and interest upon any bonds or securities of the Federal Government, the State of Nevada or a political subdivision of this State.

(c) If the entity is required to pay a license fee pursuant to NRS 463.370, the amount of the gross receipts used to determine the amount of that fee.

(d) If the entity is required to pay the tax on the net proceeds of minerals pursuant to the provisions of NRS 362.100 to 362.240, inclusive, the amount of the gross proceeds used to determine the amount of that tax.

(e) If the entity is required to pay the tax imposed pursuant to chapter 680B of NRS:

(1) The amount of the total income derived from direct premiums written and all other considerations for insurance, bail or annuity contracts used to determine the amount of the tax imposed pursuant to chapter 680B of NRS, and

(2) Any amounts excluded from the calculation of the amount of that tax due pursuant to NRS 680B.037.

(f) If the entity is required to pay the tax imposed pursuant to NRS 694C.450, the amount of
the net direct premiums, as defined in that section, used to determine the amount of that tax.

(g) If the person is conducting the business in this State and the entity is required to pay the tax imposed pursuant to NRS 685A.180, the amount of the premiums, as defined in that section, used to determine the amount of that tax.

(h) Except as provided by paragraph (i), the total amount of payments received by a health care provider:

(1) From Medicaid, Medicare, the Children’s Health Insurance Program, the Fund for Hospital Care to Indigent Persons created pursuant to NRS 428.175 or TRICARE;

(2) For professional services provided in relation to a workers’ compensation claim; and

(3) For the actual cost to the health care provider for any uncompensated care provided by the health care provider, except that if the health care provider later receives payment for all or part of that care, the health care provider must include the amount of the payment in his or her gross receipts for the calendar quarter in which the payment is received.

(i) If the person is conducting the business entity is engaging in business in this State as a health care provider that is a health care institution, an amount equal to 50 percent of the amounts described in paragraph (h) that are received by the health care institution.

(j) If the person is conducting the business entity is engaging in business in this State as an employee leasing company, the amount of any payments received from a client company for wages, payroll taxes on those wages, employee benefits and workers’ compensation benefits for employees leased to the client company.

(k) The amount of any pass-through revenue of the business entity.

(l) The tax basis of securities and loans sold by the business entity as determined for the purposes of federal income taxation.

(m) The amount of revenue received by the business entity that is directly derived from the operation of a facility that is:

(1) Located on property owned or leased by the Federal Government; and

(2) Managed or operated primarily to house members of the Armed Forces of the United States.

(n) Interest income other than interest on credit sales.

(o) Dividends and distributions from corporations, and distributive or proportionate shares of receipts and income from a pass-through entity.

(p) Receipts from the sale, exchange or other disposition of an asset described in section 1221 or 1231 of the Internal Revenue Code, 26 U.S.C. § 1221 or 1231, without regard to the length of time the business entity held the asset.
(q) Receipts from a hedging transaction, as defined in section 1221 of the Internal Revenue Code, 26 U.S.C. § 1221, or a transaction accorded hedge accounting treatment under Statement No. 133 of the Financial Accounting Standards Board, Accounting for Derivative Instruments and Hedging Activities, to the extent the transaction is entered into primarily to protect a financial position, including, without limitation, managing the risk of exposure to foreign currency fluctuations that affect assets, liabilities, profits, losses, equity or investments in foreign operations, to interest rate fluctuations or to commodity price fluctuations. For the purposes of this paragraph, receipts from the actual transfer of title of real or tangible personal property to another business are not receipts from a hedging transaction or a transaction accorded hedge accounting treatment.

(r) Proceeds received by a business entity that are attributable to the repayment, maturity or redemption of the principal of a loan, bond, mutual fund, certificate of deposit or marketable instrument.

(s) The principal amount received under a repurchase agreement or on account of any transaction properly characterized as a loan.

(t) Proceeds received from the issuance of the business’s own stock, options, warrants, puts or calls, from the sale of the business entity’s treasury stock or as contributions to the capital of the business entity.

(u) Proceeds received on account of payments from insurance policies, except those proceeds received for the loss of business revenue.

(v) Damages received as a result of litigation in excess of amounts that, if received without litigation, would have been included in the gross receipts of the business entity pursuant to this section.

(w) Bad debts expensed for the purposes of federal income taxation.

(x) Returns and refunds to customers.

(y) The value of cash discounts allowed by the business entity and taken by a customer.

(z) The value of goods or services provided to a customer on a complimentary basis.

(aa) Amounts realized from the sale of an account receivable to the extent the receipts from the underlying transaction were included in the gross receipts of the business entity.

(bb) If the person is conducting the business entity own an interest in a passive entity, the person’s share of the net income of the passive entity, but only to the extent the net income of the passive entity was generated by the gross receipts of another business entity.

2. As used in this section:

(a) “Children’s Health Insurance Program” means the program established pursuant to 42 U.S.C. §§ 1397aa to 1397jj, inclusive, to provide health insurance for uninsured children from low-income families in this State.
(b) “Client company” has the meaning ascribed to it in NRS 616B.670.
(c) “Employee leasing company” has the meaning ascribed to it in NRS 616B.670.
(d) “Health care institution” means:
   (1) A medical facility as defined in NRS 449.0151; and
   (2) A pharmacy as defined in NRS 639.012.
(e) “Health care provider” means a business entity that receives any payments listed in paragraph (h) of subsection 1 as a provider of health care services, including, without limitation, mental health care services.
(f) “Medicaid” means the program established pursuant to Title XIX of the Social Security Act, 42 U.S.C. §§ 1396 et seq., to provide assistance for part or all of the cost of medical care rendered on behalf of indigent persons.
(g) “Medicare” means the program of health insurance for aged persons and persons with disabilities established pursuant to Title XVIII of the Social Security Act, 42 U.S.C. §§ 1395 et seq.

Sec. 21. 1. In calculating the Nevada gross revenue of a person from conducting a business in this State for the purposes of the state business license fee, computing the supplemental revenue fee owed by a business entity, the gross revenue receipts of the person from conducting the business entity, as adjusted pursuant to section 20 of this act, must be sitused to this State in accordance with the following rules:
   (a) Gross rents and royalties from real property are sitused to this State if the real property is located in this State.
   (b) Gross receipts from the sale of real property are sitused to this State if the real property is located in this State.
   (c) Gross rents and royalties from tangible personal property are sitused to this State to the extent the tangible personal property is located or used in this State.
   (d) Gross receipts from the sale of tangible personal property are sitused to this State if the property is delivered or shipped to a buyer in this State, regardless of the F.O.B. point or any other condition of sale.
   (e) Gross receipts from the sale of transportation services are sitused to this State if both the origin and destination point of the transportation are located in this State.
   (f) Gross receipts from the sale of any services not otherwise described in this section are sitused to this State in the proportion that the purchaser’s benefit in this State, with respect to what was purchased, bears to the purchaser’s benefit everywhere with respect to what was purchased.
   (g) Gross receipts not otherwise described in this section are sitused to this State if the gross receipts are from business done in this State.

2. If the application of the provisions of subsection 1 do not fairly represent the extent of the business conducted in this State by a business entity, the business entity may petition the
Department for, or the Department may require, the use an alternative method of situsing gross receipts to this State.

Sec. 22.  [1. Except as otherwise provided in subsection 2, the state business license fee required to be paid by a person conducting a business in this State that did not pay any wages during the quarter is $100. If, during a calendar quarter, a person conducts a business that is a client company, as defined in NRS 616B.670, the person is deemed to have paid wages during that calendar quarter. For the purposes of this subsection, the term “wages” has the meaning ascribed to it in NRS 612.190.

2. The Department may authorize a person that does not pay any wages, as determined pursuant to subsection 1, to pay an annual state business license fee of $400 on or before a due date approved by the Department.

3. Except as otherwise provided in this section, the state business license fee required to be paid by a person conducting a business in this State is equal to the amount set forth in sections 23 to 48, inclusive, of this act for the business category and Nevada gross revenue of the business. If the business cannot be categorized in a business category set forth in sections 23 to 48, inclusive, of this act, the state business license fee for that business is equal to the amount set forth in section 49 of this act for the Nevada gross revenue of the business. (Deleted by amendment.)

Sec. 23.  [1. The agriculture, forestry, fishing and hunting business category (NAICS 11) includes all businesses primarily engaged in agricultural production or agricultural support activities, or both, including, without limitation, growing crops, raising animals, harvesting timber and harvesting fish and other animals from a farm, ranch or their natural habitats.

2. Examples of businesses in this category include, without limitation, farms, ranches, dairies, greenhouses, nurseries, orchards and hatcheries.

3. This category does not include businesses primarily engaged in agricultural research or administering programs for regulating and conserving land, minerals, wildlife or forest use.

4. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td>Inclusive:</td>
</tr>
<tr>
<td>$0</td>
<td>$31,250</td>
</tr>
<tr>
<td>$31,250</td>
<td>$35,938</td>
</tr>
<tr>
<td>$35,938</td>
<td>$41,329</td>
</tr>
<tr>
<td>$41,329</td>
<td>$47,528</td>
</tr>
<tr>
<td>$47,528</td>
<td>$54,658</td>
</tr>
<tr>
<td>$54,658</td>
<td>$62,857</td>
</tr>
<tr>
<td>$62,857</td>
<td>$72,286</td>
</tr>
<tr>
<td>$72,286</td>
<td>$83,129</td>
</tr>
<tr>
<td>$83,129</td>
<td>$95,599</td>
</tr>
<tr>
<td>$95,599</td>
<td>$109,939</td>
</tr>
<tr>
<td>$109,939</td>
<td>$126,430</td>
</tr>
<tr>
<td>$126,430</td>
<td>$145,394</td>
</tr>
<tr>
<td>$145,394</td>
<td>$167,204</td>
</tr>
<tr>
<td>$167,204</td>
<td>$192,285</td>
</tr>
<tr>
<td>$192,285</td>
<td>$221,128</td>
</tr>
<tr>
<td>$221,128</td>
<td>$254,297</td>
</tr>
<tr>
<td>$254,297</td>
<td>$292,442</td>
</tr>
<tr>
<td>$292,442</td>
<td>$336,308</td>
</tr>
<tr>
<td>$336,308</td>
<td>$386,755</td>
</tr>
<tr>
<td>$386,755</td>
<td>$444,768</td>
</tr>
<tr>
<td>$444,768</td>
<td>$511,484</td>
</tr>
<tr>
<td>$511,484</td>
<td>$588,207</td>
</tr>
<tr>
<td>$588,207</td>
<td>$676,438</td>
</tr>
<tr>
<td>$676,438</td>
<td>$777,904</td>
</tr>
<tr>
<td>$777,904</td>
<td>$894,590</td>
</tr>
<tr>
<td>$894,590</td>
<td>$1,028,779</td>
</tr>
<tr>
<td>$1,028,779</td>
<td>$1,183,096</td>
</tr>
<tr>
<td>$1,183,096</td>
<td>$1,360,560</td>
</tr>
<tr>
<td>$1,360,560</td>
<td>$1,564,645</td>
</tr>
<tr>
<td>$1,564,645</td>
<td>$1,799,341</td>
</tr>
<tr>
<td>$1,799,341</td>
<td>$2,069,243</td>
</tr>
<tr>
<td>$2,069,243</td>
<td>$2,379,630</td>
</tr>
<tr>
<td>$2,379,630</td>
<td>$2,736,574</td>
</tr>
<tr>
<td>$2,736,574</td>
<td>$3,147,061</td>
</tr>
<tr>
<td>$3,147,061</td>
<td>$3,619,120</td>
</tr>
</tbody>
</table>
Sec. 24. (Deleted by amendment.)

1. The mining, quarrying and oil and gas extraction business category (NAICS 21) includes all businesses primarily engaged in mining operations and mining support activities, including, without limitation, extracting:

   (a) Naturally occurring mineral solids, such as coal and ores;
   
   (b) Liquid minerals, such as crude petroleum; and
   
   (c) Gases, such as natural gas.

2. Examples of businesses in this category include, without limitation:

   (a) Businesses operating mines, quarries or oil and gas wells on their own account or for others on a contract or fee basis;
   
   (b) Mining support activities, including businesses that perform exploration or other mining services, or both, on a contract or fee basis except geophysical surveying, mine site preparation and the construction of oil and gas pipelines.

3. As used in subsections 1 and 2, the term “mining” includes quarrying, well operations and beneficiation, including, without limitation, crushing, screening, washing, flotation and other preparation customarily performed at a mine site or as a part of mining activities.

4. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.
1. The utilities business category (NAICS 22) includes all businesses primarily engaged in providing utility services, including, without limitation, electric power, natural gas, steam supply, water supply and sewage removal.

2. This category does not include businesses primarily engaged in waste management services that are described in section 42 of this act.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

1. The construction business category (NAICS 23) includes all businesses primarily engaged in the construction of buildings or engineering projects such as highways and utility systems. Businesses engaged in the preparation of sites for new construction and businesses primarily engaged in subdividing land for sale as building sites also are included in this category.

2. Examples of businesses in this category include, without limitation, general contractors, design-builders, construction managers, turnkey contractors, joint-venture contractors, specialty trade contractors, for-sale builders, speculative builders and merchant builders.
3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Revenue</td>
<td>Up to and Including</td>
<td>Greater Than</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>45x192</td>
<td>$.100</td>
</tr>
<tr>
<td>$.100</td>
<td>145,394</td>
<td>$777,904</td>
</tr>
<tr>
<td>$.147</td>
<td>1,360,560</td>
<td>$1,157</td>
</tr>
<tr>
<td>$.38,946</td>
<td>2,023</td>
<td>$1,330</td>
</tr>
<tr>
<td>$.76,129</td>
<td>2,908</td>
<td>$1,350</td>
</tr>
<tr>
<td>$1,350</td>
<td>6,329,865</td>
<td>$2,069</td>
</tr>
<tr>
<td>$1,564,645</td>
<td>8,371,247</td>
<td>$2,676</td>
</tr>
<tr>
<td>$1,799,341</td>
<td>5,504,000</td>
<td>$3,077</td>
</tr>
<tr>
<td>$2,57,109</td>
<td>109,939</td>
<td>$3,619</td>
</tr>
<tr>
<td>$3,147,061</td>
<td>3,619,120</td>
<td>$4,219</td>
</tr>
<tr>
<td>$4,161,989</td>
<td>4,161,989</td>
<td>$4,825</td>
</tr>
<tr>
<td>$5,242,700</td>
<td>5,242,700</td>
<td>$5,432</td>
</tr>
<tr>
<td>$6,578,000</td>
<td>6,578,000</td>
<td>$6,042</td>
</tr>
<tr>
<td>$8,000,000</td>
<td>8,000,000</td>
<td>$6,652</td>
</tr>
<tr>
<td>$9,626,935</td>
<td>9,626,935</td>
<td>$7,262</td>
</tr>
<tr>
<td>$11,318,365</td>
<td>11,318,365</td>
<td>$7,872</td>
</tr>
<tr>
<td>$13,078,252</td>
<td>13,078,252</td>
<td>$8,482</td>
</tr>
<tr>
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<td>15,022,153</td>
<td>$9,092</td>
</tr>
<tr>
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<td>17,131,984</td>
<td>$9,702</td>
</tr>
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<td>$10,312</td>
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<tr>
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<td>24,035,000</td>
<td>$10,922</td>
</tr>
<tr>
<td>$28,845,000</td>
<td>28,845,000</td>
<td>$11,532</td>
</tr>
<tr>
<td>$34,036,000</td>
<td>34,036,000</td>
<td>$12,142</td>
</tr>
<tr>
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<td>40,638,000</td>
<td>$12,752</td>
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<td>48,661,000</td>
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<tr>
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</tr>
<tr>
<td>$70,467,000</td>
<td>70,467,000</td>
<td>$14,582</td>
</tr>
<tr>
<td>$85,347,000</td>
<td>85,347,000</td>
<td>$15,192</td>
</tr>
<tr>
<td>$103,598,005</td>
<td>103,598,005</td>
<td>$15,802</td>
</tr>
<tr>
<td>$125,436,000</td>
<td>125,436,000</td>
<td>$16,412</td>
</tr>
<tr>
<td>$151,274,000</td>
<td>151,274,000</td>
<td>$17,022</td>
</tr>
<tr>
<td>$182,230,000</td>
<td>182,230,000</td>
<td>$17,632</td>
</tr>
<tr>
<td>$219,485,000</td>
<td>219,485,000</td>
<td>$18,242</td>
</tr>
</tbody>
</table>

# (Deleted by amendment.)

Sec. 27. 1. The manufacturing business category (NAICS 31, 32 and 33) includes all businesses primarily engaged in the mechanical, physical or chemical transformation of materials, substances or components into new products.

2. Examples of businesses in this category include, without limitation, milling, bottling and pasteurizing, water bottling and processing, fresh fish packaging, apparel jobbing, contracting on materials owned by others, printing and related activities, ready-mixed concrete production, leather converting, grinding of lenses to prescription, wood preserving, electroplating, plating, metal heat treating and polishing for the trade, lapidary work for the trade, fabricating signs and advertising displays, rebuilding or re-manufacturing machinery, ship repair and renovation, machine shops and tire retreading.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.
### Sec. 28

The wholesale trade business category (NAICS 42) includes all businesses primarily engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

1. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $100</td>
<td>$0</td>
<td>$100 - $350</td>
<td>$60</td>
<td>$350 - $500</td>
<td>$140</td>
</tr>
<tr>
<td>$100 - $350</td>
<td>$60</td>
<td>$350 - $500</td>
<td>$140</td>
<td>$500 - $750</td>
<td>$280</td>
</tr>
<tr>
<td>$350 - $500</td>
<td>$140</td>
<td>$500 - $750</td>
<td>$280</td>
<td>$750 - $1,000</td>
<td>$480</td>
</tr>
<tr>
<td>$500 - $750</td>
<td>$280</td>
<td>$750 - $1,000</td>
<td>$480</td>
<td>$1,000 - $1,375</td>
<td>$690</td>
</tr>
<tr>
<td>$750 - $1,000</td>
<td>$480</td>
<td>$1,000 - $1,375</td>
<td>$690</td>
<td>$1,375 - $2,069</td>
<td>$1,020</td>
</tr>
<tr>
<td>$1,000 - $1,375</td>
<td>$690</td>
<td>$1,375 - $2,069</td>
<td>$1,020</td>
<td>$2,069 - $2,736</td>
<td>$1,420</td>
</tr>
<tr>
<td>$1,375 - $2,069</td>
<td>$1,020</td>
<td>$2,069 - $2,736</td>
<td>$1,420</td>
<td>$2,736 - $3,750</td>
<td>$2,620</td>
</tr>
<tr>
<td>$2,069 - $2,736</td>
<td>$1,420</td>
<td>$2,736 - $3,750</td>
<td>$2,620</td>
<td>$3,750 - $4,786</td>
<td>$3,620</td>
</tr>
<tr>
<td>$2,736 - $3,750</td>
<td>$2,620</td>
<td>$3,750 - $4,786</td>
<td>$3,620</td>
<td>$4,786 - $5,865</td>
<td>$4,820</td>
</tr>
<tr>
<td>$3,750 - $4,786</td>
<td>$3,620</td>
<td>$4,786 - $5,865</td>
<td>$4,820</td>
<td>$5,865 - $7,279</td>
<td>$6,020</td>
</tr>
<tr>
<td>$4,786 - $5,865</td>
<td>$4,820</td>
<td>$5,865 - $7,279</td>
<td>$6,020</td>
<td>$7,279 - $9,024</td>
<td>$8,020</td>
</tr>
<tr>
<td>$5,865 - $7,279</td>
<td>$6,020</td>
<td>$7,279 - $9,024</td>
<td>$8,020</td>
<td>$9,024 - $11,071</td>
<td>$10,020</td>
</tr>
<tr>
<td>$7,279 - $9,024</td>
<td>$8,020</td>
<td>$9,024 - $11,071</td>
<td>$10,020</td>
<td>$11,071 - $13,094</td>
<td>$12,020</td>
</tr>
<tr>
<td>$9,024 - $11,071</td>
<td>$10,020</td>
<td>$11,071 - $13,094</td>
<td>$12,020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* (Deleted by amendment.)

### Sec. 29

The retail trade business category (NAICS 44 and 45) includes all businesses primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.
3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quarterly Fee</strong></td>
<td><strong>Quarterly Fee</strong></td>
<td><strong>Quarterly Fee</strong></td>
</tr>
<tr>
<td>$0 - $1,000</td>
<td>$25.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>$1,001 - $2,000</td>
<td>$50.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>$2,001 - $5,000</td>
<td>$75.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>$5,001 - $10,000</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>$10,001 - $20,000</td>
<td>$125.00</td>
<td>$125.00</td>
</tr>
<tr>
<td>$20,001 - $50,000</td>
<td>$150.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>$50,001 - $100,000</td>
<td>$175.00</td>
<td>$175.00</td>
</tr>
<tr>
<td>$100,001 - $250,000</td>
<td>$200.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>$250,001 - $500,000</td>
<td>$225.00</td>
<td>$225.00</td>
</tr>
<tr>
<td>$500,001 - $750,000</td>
<td>$250.00</td>
<td>$250.00</td>
</tr>
<tr>
<td>$750,001 - $1,000,000</td>
<td>$275.00</td>
<td>$275.00</td>
</tr>
<tr>
<td>$1,000,001 - $2,000,000</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>$2,000,001 - $5,000,000</td>
<td>$325.00</td>
<td>$325.00</td>
</tr>
<tr>
<td>$5,000,001 - $10,000,000</td>
<td>$350.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>$10,000,001 - $20,000,000</td>
<td>$375.00</td>
<td>$375.00</td>
</tr>
<tr>
<td>$20,000,001 - $50,000,000</td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
</tbody>
</table>

# (Deleted by amendment.)

Sec. 30. | The air transportation business category (NAICS 481) includes all businesses primarily engaged in providing air transportation of passengers or cargo, or both, using aircraft, such as an airplane and helicopter.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quarterly Fee</strong></td>
<td><strong>Quarterly Fee</strong></td>
<td><strong>Quarterly Fee</strong></td>
</tr>
<tr>
<td>$0 - $1,000</td>
<td>$25.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>$1,001 - $2,000</td>
<td>$50.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>$2,001 - $5,000</td>
<td>$75.00</td>
<td>$75.00</td>
</tr>
<tr>
<td>$5,001 - $10,000</td>
<td>$100.00</td>
<td>$100.00</td>
</tr>
<tr>
<td>$10,001 - $20,000</td>
<td>$125.00</td>
<td>$125.00</td>
</tr>
<tr>
<td>$20,001 - $50,000</td>
<td>$150.00</td>
<td>$150.00</td>
</tr>
<tr>
<td>$50,001 - $100,000</td>
<td>$175.00</td>
<td>$175.00</td>
</tr>
<tr>
<td>$100,001 - $250,000</td>
<td>$200.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>$250,001 - $500,000</td>
<td>$225.00</td>
<td>$225.00</td>
</tr>
<tr>
<td>$500,001 - $750,000</td>
<td>$250.00</td>
<td>$250.00</td>
</tr>
<tr>
<td>$750,001 - $1,000,000</td>
<td>$275.00</td>
<td>$275.00</td>
</tr>
<tr>
<td>$1,000,001 - $2,000,000</td>
<td>$300.00</td>
<td>$300.00</td>
</tr>
<tr>
<td>$2,000,001 - $5,000,000</td>
<td>$325.00</td>
<td>$325.00</td>
</tr>
<tr>
<td>$5,000,001 - $10,000,000</td>
<td>$350.00</td>
<td>$350.00</td>
</tr>
<tr>
<td>$10,000,001 - $20,000,000</td>
<td>$375.00</td>
<td>$375.00</td>
</tr>
<tr>
<td>$20,000,001 - $50,000,000</td>
<td>$400.00</td>
<td>$400.00</td>
</tr>
</tbody>
</table>
1. The truck transportation business category (NAICS 484) includes all businesses primarily engaged in providing over-the-road transportation of cargo using motor vehicles, such as a truck and tractor-trailer.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and Including</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$0.00</td>
</tr>
<tr>
<td>$31,250</td>
<td>$31,250</td>
</tr>
<tr>
<td>$35,938</td>
<td>$35,938</td>
</tr>
<tr>
<td>$47,528</td>
<td>$47,528</td>
</tr>
<tr>
<td>$62,857</td>
<td>$62,857</td>
</tr>
<tr>
<td>$72,286</td>
<td>$72,286</td>
</tr>
<tr>
<td>$83,129</td>
<td>$83,129</td>
</tr>
<tr>
<td>$95,599</td>
<td>$95,599</td>
</tr>
<tr>
<td>$126,430</td>
<td>$126,430</td>
</tr>
<tr>
<td>$145,394</td>
<td>$145,394</td>
</tr>
<tr>
<td>$167,204</td>
<td>$167,204</td>
</tr>
<tr>
<td>$192,285</td>
<td>$192,285</td>
</tr>
<tr>
<td>$221,128</td>
<td>$221,128</td>
</tr>
<tr>
<td>$254,297</td>
<td>$254,297</td>
</tr>
<tr>
<td>$292,442</td>
<td>$292,442</td>
</tr>
<tr>
<td>$336,308</td>
<td>$336,308</td>
</tr>
<tr>
<td>$386,755</td>
<td>$386,755</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)

Sec. 31. (1) The truck transportation business category (NAICS 484) includes all businesses primarily engaged in providing over-the-road transportation of cargo using motor vehicles, such as a truck and tractor-trailer.

(2) To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and Including</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$0.00</td>
</tr>
<tr>
<td>$31,250</td>
<td>$31,250</td>
</tr>
<tr>
<td>$35,938</td>
<td>$35,938</td>
</tr>
<tr>
<td>$47,528</td>
<td>$47,528</td>
</tr>
<tr>
<td>$62,857</td>
<td>$62,857</td>
</tr>
<tr>
<td>$72,286</td>
<td>$72,286</td>
</tr>
<tr>
<td>$83,129</td>
<td>$83,129</td>
</tr>
<tr>
<td>$95,599</td>
<td>$95,599</td>
</tr>
<tr>
<td>$126,430</td>
<td>$126,430</td>
</tr>
<tr>
<td>$145,394</td>
<td>$145,394</td>
</tr>
<tr>
<td>$167,204</td>
<td>$167,204</td>
</tr>
<tr>
<td>$192,285</td>
<td>$192,285</td>
</tr>
<tr>
<td>$221,128</td>
<td>$221,128</td>
</tr>
<tr>
<td>$254,297</td>
<td>$254,297</td>
</tr>
<tr>
<td>$292,442</td>
<td>$292,442</td>
</tr>
<tr>
<td>$336,308</td>
<td>$336,308</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)

Sec. 32. (1) The rail transportation business category (NAICS 482) includes all businesses primarily engaged in providing rail transportation of passengers or cargo, or both, using railroad rolling stock.

(2) This category does not include businesses primarily engaged in scenic and sightseeing rail transportation, street railways, commuter rail or rapid transit included in the other transportation business category pursuant to section 33 of this act.

(3) To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and Including</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$0.00</td>
</tr>
<tr>
<td>$31,250</td>
<td>$31,250</td>
</tr>
<tr>
<td>$35,938</td>
<td>$35,938</td>
</tr>
<tr>
<td>$47,528</td>
<td>$47,528</td>
</tr>
<tr>
<td>$62,857</td>
<td>$62,857</td>
</tr>
<tr>
<td>$72,286</td>
<td>$72,286</td>
</tr>
<tr>
<td>$83,129</td>
<td>$83,129</td>
</tr>
<tr>
<td>$95,599</td>
<td>$95,599</td>
</tr>
<tr>
<td>$126,430</td>
<td>$126,430</td>
</tr>
<tr>
<td>$145,394</td>
<td>$145,394</td>
</tr>
<tr>
<td>$167,204</td>
<td>$167,204</td>
</tr>
<tr>
<td>$192,285</td>
<td>$192,285</td>
</tr>
<tr>
<td>$221,128</td>
<td>$221,128</td>
</tr>
<tr>
<td>$254,297</td>
<td>$254,297</td>
</tr>
<tr>
<td>$292,442</td>
<td>$292,442</td>
</tr>
<tr>
<td>$336,308</td>
<td>$336,308</td>
</tr>
</tbody>
</table>
1. The other transportation business category (NAICS 483, 485, 486, 487, 488, 491 and 492) includes all businesses primarily engaged in:

(a) Water transportation, including, without limitation, the transportation of passengers and cargo using watercrafts;
(b) Transit and ground passenger transportation, including, without limitation, charter buses, school buses, interurban bus transportation, taxicab and limousine services, street railways, commuter rail and rapid transit;
(c) Pipeline transportation, including, without limitation, using transmission pipelines to transport products, such as crude oil, natural gas, refined petroleum products and chlorine;
(d) Scenic and sightseeing transportation, including, without limitation, on land or the water, or in the air;
(e) Support activities for transportation, including, without limitation, air traffic control services, marine cargo handling, motor vehicle towing, railroad switching and terminals, and ship repair and maintenance not done in a shipyard, such as floating drydock services in a harbor;
(f) Postal services, including, without limitation, the activities of the United States Postal Service and its subcontractors operating under a universal-service obligation to provide mail services, deliver letters and small parcels, and rural post offices on contract to the United States Postal Service;

2. To determine the amount of the state business license fee, a business included in this category must identify the fee on the following table that

* (Deleted by amendment.)
corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

### Nevada Gross Revenue

![Table of Nevada Gross Revenue]

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4. (Deleted by amendment.)

Sec. 34.  [1] The warehousing and storage business category (NAICS 492) includes all businesses primarily engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods and other warehouse products.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

### Nevada Gross Revenue

![Table of Nevada Gross Revenue]
Sec. 35.  The publishing, software and data processing business category (NAICS 511, 512, 515 and 518) includes all businesses primarily engaged in:

(a) Publishing, except on the Internet, including, without limitation, the publishing of newspapers, magazines, other periodicals and books, as well as directories and mailing list and software publishing;

(b) Motion picture and sound recording, including, without limitation, the production and distribution of motion pictures and sound recordings;

(c) Broadcasting, except on the Internet, including, without limitation, creating content or acquiring the right to distribute content and subsequently broadcast the content; and

(d) Data processing, hosting and related services, including, without limitation, the provision of infrastructure for hosting and data processing services.

2.  To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and Including</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$31,250</td>
</tr>
<tr>
<td>$100</td>
<td>$676,438</td>
</tr>
<tr>
<td>$2,309</td>
<td>$1,028,779</td>
</tr>
<tr>
<td>$4,645</td>
<td>$1,360,560</td>
</tr>
<tr>
<td>$9,342</td>
<td>$1,799,341</td>
</tr>
<tr>
<td>$14,208</td>
<td>$2,379,630</td>
</tr>
<tr>
<td>$22,267,688</td>
<td>$25,607,841</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$35,938</td>
<td>$2,309</td>
</tr>
<tr>
<td>$62,857</td>
<td>$4,645</td>
</tr>
<tr>
<td>$95,599</td>
<td>$9,342</td>
</tr>
<tr>
<td>$126,430</td>
<td>$14,208</td>
</tr>
<tr>
<td>$157,559,616</td>
<td>$22,267,688</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$181,193,559</td>
<td>$25,607,841</td>
</tr>
<tr>
<td>$336,308</td>
<td>$62,857</td>
</tr>
<tr>
<td>$68,117,369</td>
<td>$95,599</td>
</tr>
<tr>
<td>$90,085,221</td>
<td>$126,430</td>
</tr>
<tr>
<td>$119,137,706</td>
<td>$157,559,616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$192,285</td>
<td>$181,193,559</td>
</tr>
<tr>
<td>$221,128</td>
<td>$336,308</td>
</tr>
<tr>
<td>$254,297</td>
<td>$68,117,369</td>
</tr>
<tr>
<td>$292,442</td>
<td>$90,085,221</td>
</tr>
<tr>
<td>$338,666</td>
<td>$119,137,706</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)

Sec. 36.  The telecommunications business category (NAICS 517) includes all businesses primarily engaged in providing telecommunications and the services related to that activity, including, without limitation, telephony, cable and satellite distribution services, Internet access and telecommunications reselling services.

2.  To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to and Including</td>
<td></td>
</tr>
<tr>
<td>$0</td>
<td>$31,250</td>
</tr>
<tr>
<td>$100</td>
<td>$676,438</td>
</tr>
<tr>
<td>$2,309</td>
<td>$1,028,779</td>
</tr>
<tr>
<td>$4,645</td>
<td>$1,360,560</td>
</tr>
<tr>
<td>$9,342</td>
<td>$1,799,341</td>
</tr>
<tr>
<td>$14,208</td>
<td>$2,379,630</td>
</tr>
<tr>
<td>$22,267,688</td>
<td>$25,607,841</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$35,938</td>
<td>$2,309</td>
</tr>
<tr>
<td>$62,857</td>
<td>$4,645</td>
</tr>
<tr>
<td>$95,599</td>
<td>$9,342</td>
</tr>
<tr>
<td>$126,430</td>
<td>$14,208</td>
</tr>
<tr>
<td>$157,559,616</td>
<td>$22,267,688</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$181,193,559</td>
<td>$25,607,841</td>
</tr>
<tr>
<td>$336,308</td>
<td>$62,857</td>
</tr>
<tr>
<td>$68,117,369</td>
<td>$95,599</td>
</tr>
<tr>
<td>$90,085,221</td>
<td>$126,430</td>
</tr>
<tr>
<td>$119,137,706</td>
<td>$157,559,616</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than:</td>
<td></td>
</tr>
<tr>
<td>$192,285</td>
<td>$181,193,559</td>
</tr>
<tr>
<td>$221,128</td>
<td>$336,308</td>
</tr>
<tr>
<td>$254,297</td>
<td>$68,117,369</td>
</tr>
<tr>
<td>$292,442</td>
<td>$90,085,221</td>
</tr>
<tr>
<td>$338,666</td>
<td>$119,137,706</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)
that corresponds to the Nevada gross revenue of the business for the quarter
for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Below $31,250</th>
<th>$31,250 to $89,580</th>
<th>$89,580 to $3,638,400</th>
<th>$3,638,400 to $193,890</th>
<th>$193,890 to $676,438</th>
<th>$676,438 to $2,736,574</th>
</tr>
</thead>
<tbody>
<tr>
<td>$318,575</td>
<td>$239,628,482</td>
<td>$22,267,688</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$119,137,706</td>
<td>$103,598,005</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$157,559,616</td>
<td>$90,085,221</td>
<td>$22,267,688</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$181,193,559</td>
<td>$119,137,706</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$188,775,361</td>
<td>$103,598,005</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
</tbody>
</table>

Sec. 37. The finance and insurance business category (NAICS 52) includes all businesses primarily engaged in financial transactions or in facilitating financial transactions.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Below $31,250</th>
<th>$31,250 to $89,580</th>
<th>$89,580 to $3,638,400</th>
<th>$3,638,400 to $193,890</th>
<th>$193,890 to $676,438</th>
<th>$676,438 to $2,736,574</th>
</tr>
</thead>
<tbody>
<tr>
<td>$318,575</td>
<td>$239,628,482</td>
<td>$22,267,688</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$119,137,706</td>
<td>$103,598,005</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$157,559,616</td>
<td>$90,085,221</td>
<td>$22,267,688</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$181,193,559</td>
<td>$119,137,706</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
<tr>
<td>$188,775,361</td>
<td>$103,598,005</td>
<td>$33,866,370</td>
<td>44,788,275</td>
<td>25,607,841</td>
<td>68,117,369</td>
<td>33,866,370</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)
Sec. 38. [1] The real estate and rental and leasing business category (NAICS 52) includes all businesses primarily engaged in renting, leasing or otherwise allowing the use of tangible or intangible assets, businesses providing related services, managing real estate for others, selling, renting or buying real estate for others and appraising real estate.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00 - $676,438</td>
<td>$54,658</td>
<td>$676,439 - $777,904</td>
<td>$192,285</td>
<td>$777,905 - $83,129</td>
<td>$212,128</td>
</tr>
<tr>
<td>$676,439 - $1,980</td>
<td>$95,599</td>
<td>$1,981 - $41,329</td>
<td>$386,755</td>
<td>$41,330 - $6,058</td>
<td>$54,658</td>
</tr>
<tr>
<td>$1,981 - $16,837,571</td>
<td>$126,430</td>
<td>$16,838 - $33,866</td>
<td>$588,207</td>
<td>$33,867 - $2,069,243</td>
<td>$444,768</td>
</tr>
<tr>
<td>$16,838 - $167,204</td>
<td>$145,394</td>
<td>$167,205 - $221,128</td>
<td>$676,438</td>
<td>$221,129 - $16,837,572</td>
<td>$95,599</td>
</tr>
<tr>
<td>$292,443 - $544,796</td>
<td>$212,128</td>
<td>$544,797 - $806,728</td>
<td>$588,207</td>
<td>$806,729 - $1,360,560</td>
<td>$145,394</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)

Sec. 39. [1] The professional, scientific and technical services business category (NAICS 54) includes all businesses primarily engaged in performing professional, scientific and technical activities for others.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>State Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.00 - $676,438</td>
<td>$54,658</td>
<td>$676,439 - $777,904</td>
<td>$192,285</td>
<td>$777,905 - $83,129</td>
<td>$212,128</td>
</tr>
<tr>
<td>$676,439 - $1,980</td>
<td>$95,599</td>
<td>$1,981 - $41,329</td>
<td>$386,755</td>
<td>$41,330 - $6,058</td>
<td>$54,658</td>
</tr>
<tr>
<td>$1,981 - $16,837,571</td>
<td>$126,430</td>
<td>$16,838 - $33,866</td>
<td>$588,207</td>
<td>$33,867 - $2,069,243</td>
<td>$444,768</td>
</tr>
<tr>
<td>$16,838 - $167,204</td>
<td>$145,394</td>
<td>$167,205 - $221,128</td>
<td>$676,438</td>
<td>$221,129 - $16,837,572</td>
<td>$95,599</td>
</tr>
<tr>
<td>$292,443 - $544,796</td>
<td>$212,128</td>
<td>$544,797 - $806,728</td>
<td>$588,207</td>
<td>$806,729 - $1,360,560</td>
<td>$145,394</td>
</tr>
</tbody>
</table>

(Deleted by amendment.)
Sec. 40. The management of companies and enterprises business category (NAICS 55) includes all businesses primarily engaged in:

(a) Holding the securities of, or other equity interests in, companies and enterprises for the purpose of owning a controlling interest or influencing management decisions, or

(b) Administering, overseeing, and managing establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision-making role of the company or enterprise.

1. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $31,250</td>
<td>$100</td>
</tr>
<tr>
<td>$35,938 - $100</td>
<td>$1,085</td>
</tr>
<tr>
<td>$47,528 - $100</td>
<td>$1,435</td>
</tr>
<tr>
<td>$83,129 - $100</td>
<td>$1,898</td>
</tr>
<tr>
<td>$145,394 - $100</td>
<td>$2,510</td>
</tr>
<tr>
<td>$221,128 - $100</td>
<td>$3,818</td>
</tr>
<tr>
<td>$292,442 - $100</td>
<td>$4,390</td>
</tr>
<tr>
<td>$336,308 - $100</td>
<td>$5,049</td>
</tr>
<tr>
<td>$386,755 - $100</td>
<td>$5,806</td>
</tr>
<tr>
<td>$444,768 - $100</td>
<td>$6,563</td>
</tr>
</tbody>
</table>

2. (Deleted by amendment.)

Sec. 41. The administrative and support services business category (NAICS 56) includes all businesses primarily engaged in activities that support the day to day operations of other organizations.

1. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table.
that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than</td>
<td>Equal to</td>
<td>Inclusive</td>
</tr>
<tr>
<td>$0</td>
<td>$676,438</td>
<td>$100</td>
</tr>
<tr>
<td>$676,438</td>
<td>$1,028,779</td>
<td>$1,028,779</td>
</tr>
<tr>
<td>$1,028,779</td>
<td>$2,069,243</td>
<td>$2,069,243</td>
</tr>
<tr>
<td>$2,069,243</td>
<td>$3,147,061</td>
<td>$3,147,061</td>
</tr>
<tr>
<td>$3,147,061</td>
<td>$4,786,287</td>
<td>$4,786,287</td>
</tr>
<tr>
<td>$4,786,287</td>
<td>$157,559,616</td>
<td>$157,559,616</td>
</tr>
</tbody>
</table>

† (Deleted by amendment.)

Sec. 42. [1] The waste management and remediation services business category (NAICS 562) includes all businesses primarily engaged in the collection, treatment and disposal of waste materials.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
<th>Nevada Gross Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Than</td>
<td>Equal to</td>
<td>Inclusive</td>
</tr>
<tr>
<td>$0</td>
<td>$676,438</td>
<td>$100</td>
</tr>
<tr>
<td>$676,438</td>
<td>$1,028,779</td>
<td>$1,028,779</td>
</tr>
<tr>
<td>$1,028,779</td>
<td>$2,069,243</td>
<td>$2,069,243</td>
</tr>
<tr>
<td>$2,069,243</td>
<td>$3,147,061</td>
<td>$3,147,061</td>
</tr>
<tr>
<td>$3,147,061</td>
<td>$4,786,287</td>
<td>$4,786,287</td>
</tr>
<tr>
<td>$4,786,287</td>
<td>$157,559,616</td>
<td>$157,559,616</td>
</tr>
</tbody>
</table>

† (Deleted by amendment.)
Sec. 43.  [1.] The educational services business category (NAICS 61) includes all businesses primarily engaged in providing instruction and training in a wide variety of subjects.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$0</td>
<td>$254,297</td>
<td>$588,207</td>
<td>$167,204</td>
<td>$363</td>
</tr>
<tr>
<td>$100</td>
<td>$161</td>
<td>$282,350</td>
<td>$688,207</td>
<td>$173,350</td>
<td>$373</td>
</tr>
<tr>
<td>$41,329</td>
<td>$992</td>
<td>$48,348</td>
<td>$798,350</td>
<td>$189,450</td>
<td>$386</td>
</tr>
<tr>
<td>$47,528</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$100</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$552</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$363</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$1,111</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$1,689</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$245</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$840</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
</tbody>
</table>

† (Deleted by amendment.)

Sec. 44.  [1.] The health care and social assistance business category (NAICS 62) includes all businesses primarily engaged in providing health care and social assistance for natural persons.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
<th>Nevada Gross Revenue</th>
<th>Quarterly Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$0</td>
<td>$254,297</td>
<td>$588,207</td>
<td>$167,204</td>
<td>$363</td>
</tr>
<tr>
<td>$100</td>
<td>$161</td>
<td>$282,350</td>
<td>$688,207</td>
<td>$173,350</td>
<td>$373</td>
</tr>
<tr>
<td>$41,329</td>
<td>$992</td>
<td>$48,348</td>
<td>$798,350</td>
<td>$189,450</td>
<td>$386</td>
</tr>
<tr>
<td>$47,528</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$100</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$552</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$363</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$1,111</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$1,689</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$245</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
<tr>
<td>$840</td>
<td>$1,028,779</td>
<td>$511,484</td>
<td>$894,590</td>
<td>$195,590</td>
<td>$399</td>
</tr>
</tbody>
</table>
### Sec. 45. 
1. The arts, entertainment and recreation business category (NAICS 71) includes all businesses primarily engaged in providing services to meet varied cultural, entertainment and recreational interests of their patrons.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Quarterly State Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $99,999.99</td>
<td>$100</td>
</tr>
<tr>
<td>$100,000 - $35,937.72</td>
<td>$169</td>
</tr>
<tr>
<td>$35,937.73 - $41,329.00</td>
<td>$192,285</td>
</tr>
<tr>
<td>$41,329.01 - $47,528.00</td>
<td>$254,297</td>
</tr>
<tr>
<td>$47,528.01 - $54,658.00</td>
<td>$312,507</td>
</tr>
<tr>
<td>$54,658.01 - $68,117.37</td>
<td>$386,755</td>
</tr>
<tr>
<td>$68,117.38 - $90,085.22</td>
<td>$444,644</td>
</tr>
<tr>
<td>$90,085.23 - $119,137.71</td>
<td>$585,602</td>
</tr>
<tr>
<td>$119,137.72 - $134,743.00</td>
<td>$75,547</td>
</tr>
<tr>
<td>$134,743.01 - $157,559.61</td>
<td>$90,085.22</td>
</tr>
<tr>
<td>$157,559.62 - $181,193.56</td>
<td>$109,939</td>
</tr>
<tr>
<td>$181,193.57 - $208,372.59</td>
<td>$126,430</td>
</tr>
<tr>
<td>$208,372.60 - $275,572.76</td>
<td>$291,148</td>
</tr>
</tbody>
</table>

# (Deleted by amendment.)

### Sec. 46. 
1. The accommodation business category (NAICS 721) includes all businesses primarily engaged in providing lodging or short-term accommodations for travelers, vacationers and others.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Quarterly State Business License Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 - $47,528.00</td>
<td>$100</td>
</tr>
<tr>
<td>$47,528.01 - $68,117.37</td>
<td>$169</td>
</tr>
<tr>
<td>$68,117.38 - $90,085.22</td>
<td>$192,285</td>
</tr>
<tr>
<td>$90,085.23 - $119,137.71</td>
<td>$254,297</td>
</tr>
<tr>
<td>$119,137.72 - $134,743.00</td>
<td>$312,507</td>
</tr>
<tr>
<td>$134,743.01 - $157,559.61</td>
<td>$386,755</td>
</tr>
<tr>
<td>$157,559.62 - $181,193.56</td>
<td>$444,644</td>
</tr>
<tr>
<td>$181,193.57 - $208,372.60</td>
<td>$585,602</td>
</tr>
<tr>
<td>$208,372.61 - $275,572.76</td>
<td>$75,547</td>
</tr>
<tr>
<td>$275,572.77 - $35,937.72</td>
<td>$90,085.22</td>
</tr>
<tr>
<td>$35,937.73 - $41,329.00</td>
<td>$109,939</td>
</tr>
<tr>
<td>$41,329.01 - $47,528.00</td>
<td>$126,430</td>
</tr>
<tr>
<td>$47,528.01 - $54,658.00</td>
<td>$291,148</td>
</tr>
</tbody>
</table>

# (Deleted by amendment.)
### Sec. 47. The food services and drinking places business category (NAICS 722) includes all businesses primarily engaged in preparing meals and beverages to customer order for immediate on-premise and off-premise consumption.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid:

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee:</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 9,999</td>
<td>$41,329 - $502.00</td>
</tr>
<tr>
<td>10,000 - 19,999</td>
<td>$47,528 - $1,000.00</td>
</tr>
<tr>
<td>20,000 - 49,999</td>
<td>$54,658 - $108.00</td>
</tr>
<tr>
<td>50,000 - 99,999</td>
<td>$61,795 - $124.00</td>
</tr>
<tr>
<td>100,000 - 249,999</td>
<td>$69,932 - $143.00</td>
</tr>
<tr>
<td>250,000 - 499,999</td>
<td>$78,069 - $163.00</td>
</tr>
<tr>
<td>500,000 - 999,999</td>
<td>$86,206 - $183.00</td>
</tr>
<tr>
<td>1,000,000 - 1,999,999</td>
<td>$94,343 - $203.00</td>
</tr>
<tr>
<td>2,000,000 - 2,999,999</td>
<td>$102,480 - $223.00</td>
</tr>
<tr>
<td>3,000,000 - 4,999,999</td>
<td>$110,617 - $243.00</td>
</tr>
<tr>
<td>5,000,000 - 9,999,999</td>
<td>$118,754 - $263.00</td>
</tr>
</tbody>
</table>

### Sec. 48. The other services business category (NAICS 81) includes all businesses primarily engaged in providing services not included in any of the business categories described in sections 23 to 47, inclusive, of this act. Businesses in this category are primarily engaged in activities such as repairing equipment and machinery, promoting or administering religious
activities, grantmaking, advocacy, and providing dry cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services and dating services.

2. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.

<table>
<thead>
<tr>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
<th>Nevada Gross Revenue</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>$0</td>
<td>$100</td>
<td>$156</td>
<td>$31,250</td>
<td>$389</td>
</tr>
<tr>
<td>$100</td>
<td>$156</td>
<td>$192,285</td>
<td>$221</td>
<td>$336,308</td>
<td>$444</td>
</tr>
<tr>
<td>$221</td>
<td>$336</td>
<td>$413,629</td>
<td>$447</td>
<td>$588,207</td>
<td>$724</td>
</tr>
<tr>
<td>$447</td>
<td>$588</td>
<td>$894,590</td>
<td>$1,033</td>
<td>$83,129</td>
<td>$1,293</td>
</tr>
<tr>
<td>$894</td>
<td>$83</td>
<td>$1,028,779</td>
<td>$1,571</td>
<td>$1,09,658</td>
<td>$1,852</td>
</tr>
<tr>
<td>$1,028</td>
<td>$109</td>
<td>$1,360,560</td>
<td>$2,078</td>
<td>$1,453,944</td>
<td>$2,512</td>
</tr>
<tr>
<td>$1,360</td>
<td>$145</td>
<td>$1,799,341</td>
<td>$2,512</td>
<td>$1,836,250</td>
<td>$3,013</td>
</tr>
<tr>
<td>$1,799</td>
<td>$184</td>
<td>$2,262,128</td>
<td>$2,992</td>
<td>$2,219,184</td>
<td>$3,513</td>
</tr>
<tr>
<td>$2,262</td>
<td>$221</td>
<td>$2,736,574</td>
<td>$3,441</td>
<td>$2,602,457</td>
<td>$4,013</td>
</tr>
<tr>
<td>$2,736</td>
<td>$260</td>
<td>$3,147,061</td>
<td>$3,957</td>
<td>$3,002,341</td>
<td>$4,513</td>
</tr>
<tr>
<td>$3,147</td>
<td>$300</td>
<td>$3,619,120</td>
<td>$4,488</td>
<td>$3,403,225</td>
<td>$5,013</td>
</tr>
<tr>
<td>$3,619</td>
<td>$340</td>
<td>$4,161,989</td>
<td>$5,013</td>
<td>$3,804,110</td>
<td>$5,513</td>
</tr>
<tr>
<td>$4,161</td>
<td>$380</td>
<td>$4,786,287</td>
<td>$5,513</td>
<td>$4,205,005</td>
<td>$6,013</td>
</tr>
<tr>
<td>$4,786</td>
<td>$420</td>
<td>$5,441,482</td>
<td>$6,013</td>
<td>$4,606,299</td>
<td>$6,513</td>
</tr>
<tr>
<td>$5,441</td>
<td>$460</td>
<td>$6,096,678</td>
<td>$6,513</td>
<td>$5,007,594</td>
<td>$7,013</td>
</tr>
<tr>
<td>$6,096</td>
<td>$500</td>
<td>$6,771,873</td>
<td>$7,013</td>
<td>$5,408,890</td>
<td>$7,513</td>
</tr>
<tr>
<td>$6,771</td>
<td>$540</td>
<td>$7,447,070</td>
<td>$7,513</td>
<td>$5,809,885</td>
<td>$8,013</td>
</tr>
<tr>
<td>$7,447</td>
<td>$580</td>
<td>$8,122,275</td>
<td>$8,013</td>
<td>$6,210,880</td>
<td>$8,513</td>
</tr>
<tr>
<td>$8,122</td>
<td>$620</td>
<td>$8,807,471</td>
<td>$8,513</td>
<td>$6,611,875</td>
<td>$9,013</td>
</tr>
<tr>
<td>$8,807</td>
<td>$660</td>
<td>$9,492,676</td>
<td>$9,013</td>
<td>$7,012,870</td>
<td>$9,513</td>
</tr>
<tr>
<td>$9,492</td>
<td>$700</td>
<td>$10,177,871</td>
<td>$9,513</td>
<td>$7,413,865</td>
<td>$10,013</td>
</tr>
<tr>
<td>$10,178</td>
<td>$740</td>
<td>$10,863,076</td>
<td>$10,013</td>
<td>$7,814,860</td>
<td>$10,513</td>
</tr>
<tr>
<td>$10,863</td>
<td>$780</td>
<td>$11,548,271</td>
<td>$10,513</td>
<td>$8,215,855</td>
<td>$11,013</td>
</tr>
<tr>
<td>$11,548</td>
<td>$820</td>
<td>$12,233,476</td>
<td>$11,013</td>
<td>$8,616,850</td>
<td>$11,513</td>
</tr>
<tr>
<td>$12,233</td>
<td>$860</td>
<td>$12,918,671</td>
<td>$11,513</td>
<td>$9,017,845</td>
<td>$12,013</td>
</tr>
<tr>
<td>$12,919</td>
<td>$900</td>
<td>$13,603,876</td>
<td>$12,013</td>
<td>$9,418,840</td>
<td>$12,513</td>
</tr>
</tbody>
</table>

* (Deleted by amendment.)

Sec. 49. 1. The unclassified business category includes any business that paid wages during the quarter and is not included in any of the business categories established by sections 23 to 48, inclusive, of this act.

2. As used in subsection 1, the term “wages” has the meaning ascribed to it in NRS 612.190.

3. To determine the amount of the quarterly state business license fee, a business included in this category must identify the fee on the following table that corresponds to the Nevada gross revenue of the business for the quarter for which the fee will be paid.
Sec. 50.  A [person conducting a] business [in this State], entity:
1.  May use either the cash or accrual method of accounting for the purposes of reporting and determining the amount of the [state business license] fee owed by the [person conducting the business], business entity pursuant to this chapter.
2.  May not change that method of accounting more often than once every 3 years unless the Department consents to the change. For the purposes of this subsection, a change in accounting method may not occur solely because the change results in a lower [state business license] fee owed by the [person conducting the business], business entity pursuant to this chapter.

Sec. 51.  [1.] If a person who holds a state business license fails to pay the state business license fee and any penalties and interest, the Department, after a hearing of which the person was given prior notice in writing of at least 10 days specifying the time and place of the hearing and requiring the person to show cause why his or her state business license should not be revoked, may revoke or suspend the state business license of the person.
2.  If a person who holds a state business license is an entity organized or filed with the Secretary of State pursuant to title 7 of NRS, the written notice provided pursuant to subsection 1 must include a statement that the revocation or suspension of the person’s state business license will result in the revocation of the entity’s charter or authority to transact business in this State by the Secretary of State.
3.  A notice provided pursuant to subsection 1 may be served personally or by mail in the manner prescribed for the service of a notice of deficiency determination.
4.  If the license is revoked or suspended, the Department shall provide written notice of the action to:
   (a) The person who holds the state business license; and
   (b) If the person who holds the state business license is an entity organized pursuant to title 7 of NRS or an entity required to file with the Secretary of State, the Secretary of State.
5.  If the Secretary of State receives a written notice pursuant to subsection 4, the Secretary of State must revoke the entity’s charter or authority to transact business in this State.
6.  The Department shall not issue a new license to the former holder of a revoked state business license, and the Secretary of State shall not reinstate...
or revive a charter or the right to transact business in this State, unless the
former holder has paid the state business license fee and any penalties and
interest.) (Deleted by amendment.)

Sec. 52. If the Department determines that any [state business license] fee, 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. 53. 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. 54. 1. Except as otherwise provided in this section and NRS
360.320 or any other specific statute, interest must be paid upon any
overpayment of any amount of the [state business license] fee 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. 55. 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 this State to prevent or enjoin the collection
under this chapter of the [state business license] fee imposed by this chapter
or any amount of the [state business license] fee, 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. 56. 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. 57. 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 toward any [state business license] fee imposed by this chapter due from the plaintiff.

3. The balance of the judgment must be refunded to the plaintiff.

Sec. 58. 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. 59. 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. 60. 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. 61. 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 that 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 that fact to the State Board of Examiners, shall authorize the cancellation of the amount upon the records of the Department.

Sec. 62. 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. 63. NRS 360.2937 is hereby amended to read as follows:

360.2937  1. Except as otherwise provided in this section and 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, 369, 370, 372, 374, 377, 377A or 377C of NRS, any fee provided for in NRS 444A.090 or 482.313, or any assessment provided for in NRS 585.497, or the state business license fee imposed pursuant to sections 2 to 62, inclusive, of this act, 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. 64. 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, premium or fee or amount of tax, contribution, premium or fee required to be paid to the State by any person, in accordance with the applicable provisions of this chapter, chapter 360B, 362, 363A, 363B, 369, 370, 372, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313, or chapter 585 or 680B of NRS, or the state business license fee imposed pursuant to sections 2 to 62, 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 or fee determined to
be due, as applicable, 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. 65. 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,
any fee provided for in NRS 482.313, and any person or governmental entity
that fails to pay any fee provided for in NRS 360.787 [the state
business license fee imposed pursuant to sections 2 to 62, inclusive, of this
act, 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. 66. 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,
369, 370, 372, 372A, 374, 377, 377A, 377C or 444A of NRS, NRS 482.313,
or chapter 585 or 680B of NRS or sections 2 to 62, 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. 67. [NRS 360.773 is hereby amended to read as follows:

360.773  “State business license” means the business license required
pursuant to [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

(Deleted by amendment.)]

Sec. 68. [NRS 360.780 is hereby amended to read as follows:

360.780  A person who takes part in an exhibition held in this State for a
purpose related to the conduct of a business is not required to obtain a state
business license specifically for that event or pay the state business license
fee required to be paid pursuant to sections 2 to 62, inclusive, of this act, if
the operator of the facility where the exhibition is held pays the licensing fee
on behalf of that person pursuant to NRS 360.787.4 (Deleted by amendment.)

Sec. 69. [NRS 360.970 is hereby amended to read as follows:

360.970  1. The lead participant in a qualified project shall, upon the
request of the Office of Economic Development, furnish the Office with
copies of all records necessary to verify that the qualified project meets the
eligibility requirements for any transferable tax credits issued pursuant to
NRS 360.955 and the abatement of any taxes pursuant to NRS 360.965.

2. The lead participant shall repay to the Department or the State Gaming
Control Board, as applicable, any portion of the transferable tax credits to
which the lead participant is not entitled if:

(a) The participants in the qualified project collectively fail to make the
investment in the State necessary to support the determination by the
Executive Director of the Office of Economic Development that the project
is a qualified project;

(b) The participants in the qualified project collectively fail to employ the
number of qualified employees identified in the certificate of eligibility
approved for the qualified project;

(c) The lead participant submits any false statement, representation or
certification in any document submitted for the purpose of obtaining
transferable tax credits; or

(d) The lead participant otherwise becomes ineligible for transferable tax
credits after receiving the transferable tax credits pursuant to NRS 360.900 to
360.975, inclusive.

2. Transferable tax credits purchased in good faith are not subject to
4. Notwithstanding any provision of this chapter or chapter 361 of NRS, if the lead participant in a qualified project for which an abatement has been approved pursuant to NRS 360.965 and is in effect:

(a) Fails to meet the requirements for eligibility pursuant to that section;

(b) Ceases operation before the time specified in the agreement described in paragraph (a) of subsection 3 of NRS 360.945,

the lead participant shall repay to the Department or, if the abatement is from the property tax imposed by chapter 361 of NRS, to the appropriate county treasurer, the amount of the abatement that was allowed to the lead participant pursuant to NRS 360.965 before the failure of the lead participant to meet the requirements for eligibility. Except as otherwise provided in NRS 360.322 and 360.320, the lead participant shall, in addition to the amount of the abatement required to be repaid by the lead participant pursuant to this subsection, pay interest on the amount due from the lead participant at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the abatement not been approved until the date of payment of the tax.

5. The [Secretary of State] Department may, upon application by the Executive Director of the Office, revoke or suspend the state business license of the lead participant in a qualified project which is required to repay any portion of transferable tax credits pursuant to subsection 2 or the amount of any abatement pursuant to subsection 4 and which the Office determines is not in compliance with the provisions of this section governing repayment. If the state business license of the lead participant in a qualified project is suspended or revoked pursuant to this subsection, the [Secretary of State] Department shall provide written notice of the action to the lead participant. The [Secretary of State] Department shall not reinstate a state business license suspended pursuant to this subsection or issue a new state business license to the lead participant whose state business license has been revoked pursuant to this subsection unless the Executive Director of the Office provides proof satisfactory to the [Secretary of State] Department that the lead participant is in compliance with the requirements of this section governing repayment. (Deleted by amendment.)

Sec. 70. NRS 361.2227 is hereby amended to read as follows:

361.2227 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate as an appraiser must indicate in the application submitted to the Department whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number
assigned by the [Secretary of State] Department upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A certificate as an appraiser may not be renewed by the Department if:
   (a) The applicant fails to submit the information required by subsection 1;
   or
   (b) The State Controller has informed the Department pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt,
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 71. [NRS 372.220 is hereby amended to read as follows:
372.220  1. Every retailer who sells tangible personal property for storage, use or other consumption in this State shall register with the Department and give:
   (a) The name and address of all agents operating in this State.
   (b) The location of all distribution or sales houses or offices or other places of business in this State.
   (c) Such other information as the Department may require.
   2. Every business that purchases tangible personal property for storage, use or other consumption in this State shall, at the time the business obtains a state business license pursuant to [chapter 76 of NRS.,] sections 2 to 62, inclusive, of this act, register with the Department on a form prescribed by the Department. As used in this section, “business” has the meaning ascribed to it in NRS 353C.040.] (Deleted by amendment.)

Sec. 72. [NRS 1.570 is hereby amended to read as follows:
1.570  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate as a court interpreter must indicate in the application submitted to the Court Administrator whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State,] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.,] sections 2 to 62, inclusive, of this act.
   2. Certification of a court interpreter may not be renewed if:
      (a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Court Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 73. [NRS 2.123 is hereby amended to read as follows:

2.123 1. The Supreme Court may adopt rules that:

(a) Require a person applying for the renewal of a license to practice law to indicate in the application submitted to the State Bar of Nevada whether the applicant has a state business license and, if so, require the applicant to include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
(b) Prohibit the renewal of a license to practice law if:
(1) The applicant fails to submit the information required by paragraph (a); or
(2) The State Controller has informed the State Bar of Nevada pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

2. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 74. [NRS 7.039 is hereby amended to read as follows:

7.039 1. If the Supreme Court adopts the rules described in NRS 2.123, the State Bar of Nevada shall:

(a) Require a person applying for the renewal of a license to practice law to include in the application submitted to the State Bar of Nevada:
(1) Whether the applicant has a state business license, and
(2) If the applicant has a state business license, the state business license number assigned by the [Secretary of State] Department of Taxation upon
compliance with the provisions of [chapter 76 of NRS;] sections 2 to 62, inclusive, of this act; and
(b) Not renew a license to practice law if:
   (1) The applicant fails to submit the information required by paragraph (a); or
   (2) The State Controller has informed the State Bar of Nevada pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (I) Satisfied the debt;
      (II) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (III) Demonstrated that the debt is not valid.
2. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.]

Sec. 74.3. NRS 76.100 is hereby amended to read as follows:
76.100  1. A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:
   (a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.
   (b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.
2. An application for a state business license must:
   (a) Be made upon a form prescribed by the Secretary of State;
   (b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the entity number as assigned by the Secretary of State, if known, and the location in this State of the place or places of business;
   (c) Be accompanied by a fee in the amount of $200, except that if the applicant is an entity that is required to file an initial or annual list with the Secretary of State pursuant to this title and does not intend to perform a service or engage in a trade for profit in this State, the application must be accompanied by a fee of $400; and
   (d) Include any other information that the Secretary of State deems necessary.
   ➔ If the applicant is an entity organized pursuant to this title and on file with the Secretary of State and the applicant has no location in this State of its
place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.

3. The application must be signed pursuant to NRS 239.330 by:
   (a) The owner of a business that is owned by a natural person.
   (b) A member or partner of an association or partnership.
   (c) A general partner of a limited partnership.
   (d) A managing partner of a limited-liability partnership.
   (e) A manager or managing member of a limited-liability company.
   (f) An officer of a corporation or some other person specifically authorized by the corporation to sign the application.

4. If the application for a state business license is defective in any respect or the fee required by this section is not paid, the Secretary of State may return the application for correction or payment.

5. The state business license required to be obtained pursuant to this section is in addition to any license to conduct business that must be obtained from the local jurisdiction in which the business is being conducted.

6. For the purposes of this chapter, a person shall be deemed to conduct a business in this State if a business for which the person is responsible:
   (a) Is organized pursuant to this title, other than a business organized pursuant to:
      (1) Chapter 82 or 84 of NRS; or
      (2) Chapter 81 of NRS if the business is a nonprofit religious, charitable, fraternal or other organization that qualifies as a tax-exempt organization pursuant to 26 U.S.C. § 501(c).
   (b) Has an office or other base of operations in this State;
   (c) Has a registered agent in this State; or
   (d) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he or she is paid.

7. As used in this section, “registered agent” has the meaning ascribed to it in NRS 77.230.

Sec. 74.7. NRS 76.130 is hereby amended to read as follows:

76.130  1. Except as otherwise provided in subsection 2, a person who applies for renewal of a state business license shall submit a fee in the amount of $200 to the Secretary of State:
   (a) If the person is an entity that is required to file an annual list with the Secretary of State pursuant to this title and has performed a service or engaged in a trade for profit in this State during the preceding year, at the time the person submits the annual list to the Secretary of State, unless the person submits a certificate or other form evidencing the dissolution of the entity; or
   (b) If the person is not an entity required to file an annual list with the Secretary of State pursuant to this title, on the last day of the month in which
If the person applying for renewal of a state business license pursuant to subsection 1 is an entity that is required to file an annual list with the Secretary of State pursuant to this title and did not perform a service or engage in a trade for profit in this State during the preceding year, at the time the person submits the annual list to the Secretary of State, the person shall submit a fee in the amount of $400 to the Secretary of State, unless the person submits a certificate or other form evidencing the dissolution of the entity.

3. The Secretary of State shall, 90 days before the last day for filing an application for renewal of the state business license of a person who holds a state business license, provide to the person a notice of the state business license fee due pursuant to this section and a reminder to file the application for renewal required pursuant to this section. Failure of any person to receive a notice does not excuse the person from the penalty imposed by law.

4. If a person fails to submit the annual state business license fee required pursuant to this section in a timely manner and the person is:
   (a) An entity required to file an annual list with the Secretary of State pursuant to this title, the person:
      (1) Shall pay a penalty of $100 in addition to the annual state business license fee;
      (2) Shall be deemed to have not complied with the requirement to file an annual list with the Secretary of State; and
      (3) Is subject to all applicable provisions relating to the failure to file an annual list, including, without limitation, the provisions governing default and revocation of its charter or right to transact business in this State, except that the person is required to pay the penalty set forth in subparagraph (1).
   (b) Not an entity required to file an annual list with the Secretary of State, the person shall pay a penalty in the amount of $100 in addition to the annual state business license fee. The Secretary of State shall provide to the person a written notice that:
      (1) Must include a statement indicating the amount of the fees and penalties required pursuant to this section and the costs remaining unpaid.
      (2) May be provided electronically, if the person has requested to receive communications by electronic transmission, by electronic mail or other electronic communication.

Sec. 75. [NRS 78.150 is hereby amended to read as follows:]

78.150  1. A corporation organized pursuant to the laws of this State shall, on or before the last day of the first month after the filing of its articles of incorporation with the Secretary of State or, if the corporation has selected an alternative due date pursuant to subsection 11, on or before that alternative
due date, file with the Secretary of State a list, on a form furnished by the Secretary of State, containing:

(a) The name of the corporation;
(b) The file number of the corporation, if known;
(c) The names and titles of the president, secretary and treasurer, or the equivalent thereof, and of all the directors of the corporation;
(d) The address, either residence or business, of each officer and director listed, following the name of the officer or director; and
(e) The signature of an officer of the corporation, or some other person specifically authorized by the corporation to sign the list, certifying that the list is true, complete and accurate.

2. The corporation shall annually thereafter, on or before the last day of the month in which the anniversary date of incorporation occurs in each year or, if, pursuant to subsection 1, the corporation has selected an alternative due date for filing the list required by subsection 1, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.

3. Each list required by subsection 1 or 2 must be accompanied by:

(a) A declaration under penalty of perjury that:
   (1) The corporation has complied with the provisions of chapters 66 and 76 of NRS sections 2 to 62, inclusive, of this act;
   (2) The corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State, and
   (3) None of the officers or directors identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.

(b) A statement as to whether the corporation is a publicly traded company. If the corporation is a publicly traded company, the corporation must list its Central Index Key. The Secretary of State shall include on the Secretary of State’s Internet website the Central Index Key of a corporation provided pursuant to this paragraph and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

4. Upon filing the list required by:

(a) Subsection 1, the corporation shall pay to the Secretary of State a fee of $125.
(b) Subsection 2, the corporation shall pay to the Secretary of State, if the
amount represented by the total number of shares provided for in the articles is:

<table>
<thead>
<tr>
<th>Range</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$75,000 or less</td>
<td>$125</td>
</tr>
<tr>
<td>Over $75,000 and not over $200,000</td>
<td>$175</td>
</tr>
<tr>
<td>Over $200,000 and not over $500,000</td>
<td>$275</td>
</tr>
<tr>
<td>Over $500,000 and not over $1,000,000</td>
<td>$275</td>
</tr>
<tr>
<td>Over $1,000,000</td>
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<tr>
<td>For the first $1,000,000</td>
<td>$375</td>
</tr>
<tr>
<td>For each additional $500,000 or fraction thereof</td>
<td>$275</td>
</tr>
</tbody>
</table>

The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is $11,100.

5. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of $75 to file the resignation.

6. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 2, provide to each corporation which is required to comply with the provisions of NRS 78.150 to 78.185, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 4 and a reminder to file the annual list required by subsection 2. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective in any respect or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and must be accompanied by the appropriate fee as provided in subsection 4 for filing. A payment submitted pursuant to this subsection does not satisfy the requirements of subsection 2 for the year to which the due date is applicable.

9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies an officer or director with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

10. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.

11. The Secretary of State may allow a corporation to select an alternative due date for filing the list required by subsection 1.

12. The Secretary of State may adopt regulations to administer the provisions of subsection 11. [Deleted by amendment.]
Sec. 76. [NRS 78.180 is hereby amended to read as follows:

78.180  1. Except as otherwise provided in subsections 3 and 4 and NRS 78.152, and section 51 of this act, the Secretary of State shall reinstate a corporation which has forfeited or which forfeits its right to transact business pursuant to the provisions of this chapter and shall restore to the corporation its right to carry on business in this State, and to exercise its corporate privileges and immunities, if it:
   (a) Files with the Secretary of State:
      (1) The list required by NRS 78.150;
      (2) The statement required by NRS 78.153, if applicable;
      (3) The information required pursuant to NRS 77.310; and
      (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the corporation or, if the corporation does not have a board of directors, the equivalent of such a board; and
   (b) Pays to the Secretary of State:
      (1) The filing fee and penalty set forth in NRS 78.150 and 78.170 for each year or portion thereof during which it failed to file each required annual list in a timely manner;
      (2) The fee set forth in NRS 78.153, if applicable; and
      (3) A fee of $300 for reinstatement.
   2. When the Secretary of State reinstates the corporation, the Secretary of State shall issue to the corporation a certificate of reinstatement if the corporation:
      (a) Requests a certificate of reinstatement; and
      (b) Pays the required fees pursuant to subsection 7 of NRS 78.785.
   3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the charter occurred only by reason of failure to pay the fees and penalties.
   4. If a corporate charter has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 consecutive years, the charter must not be reinstated.
   5. Except as otherwise provided in NRS 78.185, a reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation’s right to transact business as if such right had at all times remained in full force and effect.] (Deleted by amendment.)

Sec. 76.5. NRS 78.245 is hereby amended to read as follows:

78.245  1. Except as otherwise provided in subsection 2, no stocks, bonds or other securities issued by any corporation organized under this chapter, nor

...
the income or profits therefrom, nor the transfer thereof by assignment, descent, testamentary disposition or otherwise, shall be taxed by this State when such stocks, bonds or other securities shall be owned by nonresidents of this State or by foreign corporations.

2. The provisions of subsection 1 do not apply to the state business license supplemental revenue fee imposed pursuant to sections 2 to 62, inclusive, of this act.

Sec. 77. [NRS 78.730 is hereby amended to read as follows:

8730 1. Except as otherwise provided in NRS 78.152, and section 51 of this act, any corporation which did exist or is existing under the laws of this State may, upon complying with the provisions of NRS 78.180[,] and section 10 of this act, procure a renewal or revival of its charter for any period, together with all the rights, franchises, privileges and immunities, and subject to all its existing and preexisting debts, duties and liabilities accrued or imposed by its original charter and amendments thereto, or existing charter, by filing:

(a) A certificate with the Secretary of State, which must set forth:

(1) The name of the corporation, which must be the name of the corporation at the time of the renewal or revival, or its name at the time its original charter expired.

(2) The information required pursuant to NRS 77.310.

(3) The date when the renewal or revival of the charter is to commence or be effective, which may be, in cases of a revival, before the date of the certificate.

(4) Whether or not the renewal or revival is to be perpetual, and, if not perpetual, the time for which the renewal or revival is to continue.

(5) That the corporation desiring to renew or revive its charter is, or has been, organized and carrying on the business authorized by its original charter and amendments thereto, and desires to renew or continue through revival its existence pursuant to and subject to the provisions of this chapter.

(b) A list of its president, secretary and treasurer, or the equivalent thereof, and all of its directors and their addresses, either residence or business.

(c) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the renewal or revival is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the corporation or, if the corporation does not have a board of directors, the equivalent of such a board.

2. A corporation whose charter has not expired and is being renewed shall cause the certificate to be signed by an officer of the corporation. The certificate must be approved by a majority of the voting power of the shares.

3. A corporation seeking to revive its original or amended charter shall cause the certificate to be signed by a person or persons designated or
appointed by the stockholders of the corporation. The signing and filing of
the certificate must be approved by the written consent of stockholders of the
corporation holding at least a majority of the voting power and must contain
a recital that this consent was secured. If no stock has been issued, the
certificate must contain a statement of that fact, and a majority of the
directors then in office may designate the person to sign the certificate. The
corporation shall pay to the Secretary of State the fee required to establish a
new corporation pursuant to the provisions of this chapter.

4. The filed certificate, or a copy thereof which has been certified under
the hand and seal of the Secretary of State, must be received in all courts and
places as prima facie evidence of the facts therein stated and of the existence
and incorporation of the corporation therein named.] (Deleted by
amendment.)

Sec. 78.  [NRS 80.110 is hereby amended to read as follow:-

80.110  1. Each foreign corporation doing business in this State shall,
on or before the last day of the first month after the information required by
NRS 80.010 is filed with the Secretary of State or, if the foreign corporation
has selected an alternative due date pursuant to subsection 9, on or before
that alternative due date, and annually thereafter on or before the last day of
the month in which the anniversary date of its qualification to do business in
this State occurs in each year or, if applicable, on or before the last day of the
month in which the anniversary date of the alternative due date occurs in
each year, file with the Secretary of State a list, on a form furnished by the
Secretary of State, that contains:

(a) The names and addresses, either residence or business, of its president,
secretary and treasurer, or the equivalent thereof, and all of its directors; and
(b) The signature of an officer of the corporation or some other person
specifically authorized by the corporation to sign the list.

2. Each list filed pursuant to subsection 1 must be accompanied by:

(a) A declaration under penalty of perjury that:

(1) The foreign corporation has complied with the provisions of
[chapter 76 of NRS; sections 2 to 62, inclusive, of this act;

(2) The foreign corporation acknowledges that pursuant to NRS
239.330, it is a category C felony to knowingly offer any false or forged
instrument for filing with the Office of the Secretary of State; and

(3) None of the officers or directors identified in the list has been
identified in the list with the fraudulent intent of concealing the identity of
any person or persons exercising the power or authority of an officer or
director in furtherance of any unlawful conduct.

(b) A statement as to whether the foreign corporation is a publicly traded
company. If the corporation is a publicly traded company, the corporation
must list its Central Index Key. The Secretary of State shall include on the
Secretary of State’s Internet website the Central Index Key of a corporation provided pursuant to this subsection and instructions describing the manner in which a member of the public may obtain information concerning the corporation from the Securities and Exchange Commission.

3. Upon filing:
   (a) The initial list required by subsection 1, the corporation shall pay to the Secretary of State a fee of $125.
   (b) Each annual list required by subsection 1, the corporation shall pay to the Secretary of State, if the amount represented by the total number of shares provided for in the articles is:

   $75,000 or less ................................................................. $125
   Over $75,000 and not over $200,000 ................................... 175
   Over $200,000 and not over $500,000 ................................. 275
   Over $500,000 and not over $1,000,000 ............................. 375
   Over $1,000,000:
   For the first $1,000,000 .................................................. 375
   For each additional $500,000 or fraction thereof ................. 275

   The maximum fee which may be charged pursuant to paragraph (b) for filing the annual list is $11,100.

4. If a director or officer of a corporation resigns and the resignation is not reflected on the annual or amended list of directors and officers, the corporation or the resigning director or officer shall pay to the Secretary of State a fee of $75 to file the resignation.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each corporation which is required to comply with the provisions of NRS 80.110 to 80.175, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 2 and a reminder to file the list pursuant to subsection 1. Failure of any corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 80.110 to 80.175, inclusive.

6. An annual list for a corporation not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

7. A person who files with the Secretary of State a list required by subsection 1 which identifies an officer or director with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

8. For the purposes of this section, a stockholder is not deemed to exercise actual control of the daily operations of a corporation based solely on the fact that the stockholder has voting control of the corporation.

9. The Secretary of State may allow a foreign corporation to select an alternative due date for filing the initial list required by subsection 1.
10. The Secretary of State may adopt regulations to administer the provisions of subsection 9. [Deleted by amendment.]

Sec. 79. [NRS 80.170 is hereby amended to read as follows.]

80.170 1. Except as otherwise provided in subsections 3 and 4 or NRS 80.113, and section 51 of this act, the Secretary of State shall reinstate a corporation which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the corporation its right to transact business in this State, and to exercise its corporate privileges and immunities, if it:

(a) Files with the Secretary of State:

(1) The list as provided in NRS 80.110 and 80.140;

(2) The statement required by NRS 80.115, if applicable;

(3) The information required pursuant to NRS 77.110, and

(4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the foreign corporation or, if the foreign corporation does not have a board of directors, the equivalent of such a board; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 80.110 and 80.150 for each year or portion thereof that its right to transact business was forfeited;

(2) The fee set forth in NRS 80.115, if applicable; and

(3) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the corporation, the Secretary of State shall issue to the corporation a certificate of reinstatement if the corporation:

(a) Requests a certificate of reinstatement; and

(b) Pays the required fees pursuant to subsection 7 of NRS 78.785.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a corporation to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.

5. Except as otherwise provided in NRS 80.175, a reinstatement pursuant to this section relates back to the date on which the corporation forfeited its right to transact business under the provisions of this chapter and reinstates the corporation’s right to transact business as if such right had at all times remained in full force and effect. [Deleted by amendment.]

Sec. 80. [NRS 82.523 is hereby amended to read as follows.]

82.523 1. Each foreign nonprofit corporation doing business in this State shall, on or before the last day of the first month after the filing of its
application for registration as a foreign nonprofit corporation with the Secretary of State or, if the foreign nonprofit corporation has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:

(a) The name of the foreign nonprofit corporation;
(b) The file number of the foreign nonprofit corporation, if known;
(c) The names and titles of the president, the secretary and the treasurer, or the equivalent thereof, and all the directors of the foreign nonprofit corporation;
(d) The address, either residence or business, of the president, secretary and treasurer, or the equivalent thereof, and each director of the foreign nonprofit corporation; and
(e) The signature of an officer of the foreign nonprofit corporation, or some other person specifically authorized by the foreign nonprofit corporation to sign the list, certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
(a) The foreign nonprofit corporation has complied with the provisions of sections 2 to 62, inclusive, of this act;
(b) The foreign nonprofit corporation acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
(c) None of the officers or directors identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct.

3. Upon filing the initial list and each annual list pursuant to this section, the foreign nonprofit corporation must pay to the Secretary of State a fee of $25.

4. The Secretary of State shall, 60 days before the last day for filing each annual list, provide to each foreign nonprofit corporation which is required to comply with the provisions of NRS 82.523 to 82.5239, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 1 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign nonprofit corporation to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 82.523 to 82.5239, inclusive.

5. If the list to be filed pursuant to the provisions of subsection 1 is
defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

6. An annual list for a foreign nonprofit corporation not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

7. A person who files with the Secretary of State a list pursuant to this section which identifies an officer or director with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of an officer or director in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

8. For the purposes of this section, a member of a foreign nonprofit corporation is not deemed to exercise actual control of the daily operations of the foreign nonprofit corporation based solely on the fact that the member has voting control of the foreign nonprofit corporation.

9. The Secretary of State may allow a foreign nonprofit corporation to select an alternative due date for filing the initial list required by this section.

10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 81. [NRS 82.5237 is hereby amended to read as follows:

82.5237  1. Except as otherwise provided in subsections 3 and 4 and NRS 82.183, and section 51 of this act, the Secretary of State shall reinstate a foreign nonprofit corporation which has forfeited or which forfeits its right to transact business pursuant to the provisions of NRS 82.523 to 82.5239, inclusive, and restore to the foreign nonprofit corporation its right to transact business in this State, and to exercise its corporate privileges and immunities, if it:

(a) Files with the Secretary of State:

(1) A list as provided in NRS 82.523; and

(2) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly elected board of directors of the foreign nonprofit corporation or, if the foreign nonprofit corporation does not have a board of directors, the equivalent of such a board; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 82.523 and 82.5235 for each year or portion thereof that its right to transact business was forfeited; and

(2) A fee of $100 for reinstatement.

2. When the Secretary of State reinstates the foreign nonprofit corporation, the Secretary of State shall issue to the foreign nonprofit corporation a certificate of reinstatement if the foreign nonprofit corporation:

(a) Requests a certificate of reinstatement; and

(b) Pays the fees as provided in subsection 7 of NRS 78.785.
3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a foreign nonprofit corporation to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.

5. Except as otherwise provided in NRS 82.5239, a reinstatement pursuant to this section relates back to the date on which the foreign nonprofit corporation forfeited its right to transact business under the provisions of this chapter and reinstates the foreign nonprofit corporation’s right to transact business as if such right had at all times remained in full force and effect. (Deleted by amendment.)

Sec. 82. NRS 86.263 is hereby amended to read as follows:

86.263 1. A limited-liability company shall, on or before the last day of the first month after the filing of its articles of organization with the Secretary of State or, if the limited-liability company has selected an alternative due date pursuant to subsection 11, on or before that alternative due date, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:

(a) The name of the limited-liability company;

(b) The file number of the limited-liability company, if known;

(c) The names and titles of all of its managers or, if there is no manager, all of its managing members;

(d) The address, either residence or business, of each manager or managing member listed, following the name of the manager or managing member;

(e) The signature of a manager or managing member of the limited-liability company, or some other person specifically authorized by the limited-liability company to sign the list, certifying that the list is true, complete and accurate.

2. The limited-liability company shall thereafter, on or before the last day of the month in which the anniversary date of its organization occurs or, if pursuant to subsection 11, the limited-liability company has selected an alternative due date for filing the list required by subsection 1, on or before that alternative due date, file with the Secretary of State, on a form furnished by the Secretary of State, an annual list containing all of the information required in subsection 1.

3. Each list required by subsections 1 and 2 must be accompanied by a declaration under penalty of perjury that:

(a) The limited liability company has complied with the provisions of [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]
(b) The limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
(c) None of the managers or managing members identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.

4. Upon filing:
(a) The initial list required by subsection 1, the limited-liability company shall pay to the Secretary of State a fee of $125.
(b) Each annual list required by subsection 2, the limited-liability company shall pay to the Secretary of State a fee of $125.

5. If a manager or managing member of a limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of $75 to file the resignation.

6. The Secretary of State shall, 90 days before the last day for filing each list required by subsection 2, provide to each limited-liability company which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due under subsection 4 and a reminder to file the list required by subsection 2. Failure of any company to receive a notice does not excuse it from the penalty imposed by law.

7. If the list to be filed pursuant to the provisions of subsection 1 or 2 is defective or the fee required by subsection 4 is not paid, the Secretary of State may return the list for correction or payment.

8. An annual list for a limited-liability company not in default received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

9. A person who files with the Secretary of State a list required by subsection 1 or 2 which identifies a manager or managing member with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

10. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a limited-liability company based solely on the fact that the member has voting control of the limited-liability company.

11. The Secretary of State may allow a limited-liability company to select an alternative due date for filing the list required by subsection 1.

12. The Secretary of State may adopt regulations to administer the provisions of subsection 11. [Deleted by amendment.]
Sec. 83. [NRS 86.276 is hereby amended to read as follows:

86.276  1. Except as otherwise provided in subsections 3 and 4 and NRS 86.246, and section 51 of this act, the Secretary of State shall reinstate any limited-liability company which has forfeited or which forfeits its right to transact business pursuant to the provisions of this chapter and shall restore to the company its right to carry on business in this State, and to exercise its privileges and immunities, if it:
(a) Files with the Secretary of State:
   (1) The list required by NRS 86.263;
   (2) The statement required by NRS 86.264, if applicable;
   (3) The information required pursuant to NRS 77.310; and
   (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected manager or managers of the limited-liability company or, if there are no managers, its managing members; and
(b) Pays to the Secretary of State:
   (1) The filing fee and penalty set forth in NRS 86.263 and 86.272 for each year or portion thereof during which it failed to file in a timely manner each required annual list;
   (2) The fee set forth in NRS 86.264, if applicable; and
   (3) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the limited-liability company, the Secretary of State shall issue to the company a certificate of reinstatement if the limited-liability company:
   (a) Requests a certificate of reinstatement; and
   (b) Pays the required fees pursuant to NRS 86.561.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the charter occurred only by reason of failure to pay the fees and penalties.

4. If a company’s charter has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 consecutive years, the charter must not be reinstated.

5. Except as otherwise provided in NRS 86.278, a reinstatement pursuant to this section relates back to the date on which the company forfeited its right to transact business under the provisions of this chapter and reinstates the company’s right to transact business as if such right had at all times remained in full force and effect.] (Deleted by amendment.)

Sec. 84. [NRS 86.5461 is hereby amended to read as follows:

86.5461  1. Each foreign limited-liability company doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited-liability company with the Secretary of State or, if the foreign limited-liability company has selected an
alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list on a form furnished by the Secretary of State that contains:

(a) The name of the foreign limited-liability company;
(b) The file number of the foreign limited-liability company, if known;
(c) The names and titles of all its managers or, if there is no manager, all its managing members;
(d) The address, either residence or business, of each manager or managing member listed pursuant to paragraph (c); and
(e) The signature of a manager or managing member of the foreign limited-liability company, or some other person specifically authorized by the foreign limited-liability company to sign the list, certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:

(a) The foreign limited-liability company has complied with the provisions of [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]
(b) The foreign limited-liability company acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing with the Office of the Secretary of State; and
(c) None of the managers or managing members identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.

3. Upon filing:

(a) The initial list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of $125.
(b) Each annual list required by this section, the foreign limited-liability company shall pay to the Secretary of State a fee of $125.
(c) If a manager or managing member of a foreign limited-liability company resigns and the resignation is not reflected on the annual or amended list of managers and managing members, the foreign limited-liability company or the resigning manager or managing member shall pay to the Secretary of State a fee of $75 to file the resignation.
4. The Secretary of State shall, 90 days before the last day for filing each annual list required by this section, provide to each foreign limited-liability company which is required to comply with the provisions of NRS 86.5461 to 86.5468, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 2 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited liability company to receive a
notice does not excuse it from the penalty imposed by the provisions of NRS 86.5461 to 86.5468, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited liability company not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of this section for the year to which the due date is applicable.

8. A person who files with the Secretary of State a list required by this section which identifies a manager or managing member with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

9. For the purposes of this section, a member is not deemed to exercise actual control of the daily operations of a foreign limited liability company based solely on the fact that the member has voting control of the foreign limited-liability company.

10. The Secretary of State may allow a foreign limited liability company to select an alternative due date for filing the initial list required by this section.

11. The Secretary of State may adopt regulations to administer the provisions of subsection 10.] (Deleted by amendment.)

Sec. 85. [NRS 86.5467 is hereby amended to read as follows:

86.5467 1. Except as otherwise provided in subsections 3 and 4 and NRS 86.54615, and section 51 of this act, the Secretary of State shall reinstate a foreign limited liability company which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited liability company its right to transact business in this State, and to exercise its privileges and immunities, if it:

(a) Files with the Secretary of State:

(1) The list required by NRS 86.5461;

(2) The statement required by NRS 86.5462, if applicable;

(3) The information required pursuant to NRS 77.310; and

(4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected manager or managers of the foreign limited liability company or, if there are no managers, its managing members; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 86.5461 and 86.5465 for each year or portion thereof that its right to transact business was forfeited.
2. When the Secretary of State reinstates the foreign limited-liability company, the Secretary of State shall issue to the foreign limited-liability company a certificate of reinstatement if the foreign limited-liability company:
   (a) Requests a certificate of reinstatement; and
   (b) Pays the required fees pursuant to NRS 86.561.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a foreign limited-liability company to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right must not be reinstated.

5. Except as otherwise provided in NRS 86.5468, a reinstatement pursuant to this section relates back to the date on which the foreign limited-liability company forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited-liability company’s right to transact business as if such right had at all times remained in full force and effect. (Deleted by amendment.)

Sec. 86. [NRS 87.510 is hereby amended to read as follows:]

87.510  1. A registered limited-liability partnership shall, on or before the last day of the first month after the filing of its certificate of registration with the Secretary of State or, if the registered limited-liability partnership has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of registration with the Secretary of State occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:
   (a) The name of the registered limited-liability partnership;
   (b) The file number of the registered limited-liability partnership, if known;
   (c) The name of all of its managing partners;
   (d) The address, either residence or business, of each managing partner, and
   (e) The signature of a managing partner of the registered limited-liability partnership, or some other person specifically authorized by the registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.
Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the registered limited-liability partnership has complied with the provisions of [chapter 76 of NRS, sections 2 to 62, inclusive, of this act, that the registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State and that none of the managing partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct.

2. Upon filing:
   (a) The initial list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of $125.
   (b) Each annual list required by subsection 1, the registered limited-liability partnership shall pay to the Secretary of State a fee of $125.

3. If a managing partner of a registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the registered limited-liability partnership or the resigning managing partner shall pay to the Secretary of State a fee of $75 to file the resignation.

4. The Secretary of State shall, at least 90 days before the last day for filing each annual list required by subsection 1, provide to the registered limited-liability partnership a notice of the fee due pursuant to subsection 2 and a reminder to file the annual list required by subsection 1. The failure of any registered limited-liability partnership to receive a notice does not excuse it from complying with the provisions of this section.

5. If the list to be filed pursuant to the provisions of subsection 1 is defective, or the fee required by subsection 2 is not paid, the Secretary of State may return the list for correction or payment.

6. An annual list that is filed by a registered limited-liability partnership which is not in default more than 90 days before it is due shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

7. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a managing partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

8. The Secretary of State may allow a registered limited-liability partnership to select an alternative due date for filing the initial list required by subsection 1.

9. The Secretary of State may adopt regulations to administer the provisions of subsection 8. (Deleted by amendment.)
Sec. 87. [NRS 87.530 is hereby amended to read as follows:]

87.530 1. Except as otherwise provided in subsection 3 and NRS 87.515, and section 51 of this act, the Secretary of State shall reinstate the certificate of registration of a registered limited-liability partnership that is revoked pursuant to NRS 87.520 if the registered limited liability partnership:

(a) Files with the Secretary of State:
   (1) The information required by NRS 87.510;
   (2) The information required pursuant to NRS 77.310; and
   (3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected managing partners of the registered limited liability partnership.

(b) Pays to the Secretary of State:
   (1) The fee required to be paid pursuant to NRS 87.510;
   (2) Any penalty required to be paid pursuant to NRS 87.520; and
   (3) A reinstatement fee of $300.

2. When the Secretary of State reinstates the registered limited-liability partnership, the Secretary of State shall issue to the registered limited-liability partnership a certificate of reinstatement if the registered limited-liability partnership:

(a) Requests a certificate of reinstatement; and

(b) Pays the required fees pursuant to NRS 87.550.

3. The Secretary of State shall not reinstate the certificate of registration of a registered limited liability partnership if the certificate was revoked pursuant to the provisions of this chapter at least 5 years before the date of the proposed reinstatement.

4. Except as otherwise provided in NRS 87.455, a reinstatement pursuant to this section relates back to the date on which the registered limited liability partnership’s certificate of registration was revoked and reinstates the registered limited liability’s certificate of registration as if such certificate had at all times remained in full force and effect. (Deleted by amendment.)

Sec. 88. [NRS 87.541 is hereby amended to read as follows:]

87.541 1. Each foreign registered limited-liability partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign registered limited-liability partnership with the Secretary of State or, if the foreign registered limited-liability partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list,
on a form furnished by the Secretary of State that contains:

(a) The name of the foreign registered limited-liability partnership;
(b) The file number of the foreign registered limited-liability partnership, if known;
(c) The names of all its managing partners;
(d) The address, either residence or business, of each managing partner; and
(e) The signature of a managing partner of the foreign registered limited-liability partnership, or some other person specifically authorized by the foreign registered limited-liability partnership to sign the list, certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:

(a) The foreign registered limited-liability partnership has complied with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act;
(b) The foreign registered limited-liability partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
(c) None of the managing partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a managing partner in furtherance of any unlawful conduct.

3. Upon filing:

(a) The initial list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of $125.
(b) Each annual list required by this section, the foreign registered limited-liability partnership shall pay to the Secretary of State a fee of $125.

4. If a managing partner of a foreign registered limited-liability partnership resigns and the resignation is not reflected on the annual or amended list of managing partners, the foreign registered limited-liability partnership or the managing partner shall pay to the Secretary of State a fee of $75 to file the resignation.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign registered limited-liability partnership which is required to comply with the provisions of NRS 87.541 to 87.544, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign registered limited-liability partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87.541 to 87.544, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.
7. An annual list for a foreign registered limited-liability partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a managing partner with the fraudulent intent of concealing the identity of any person or persons exercising the power and authority of a managing partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

9. The Secretary of State may allow a foreign registered limited-liability partnership to select an alternative due date for filing the initial list required by this section.

10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 89. [NRS 87.5435 is hereby amended to read as follows:

87.5435  1. Except as otherwise provided in subsections 3 and 4 and
section 51 of this act,
the Secretary of State shall reinstate
a foreign registered limited-liability partnership which has forfeited or which
forfeits its right to transact business under the provisions of this chapter and
shall restore to the foreign registered limited-liability partnership its right to
transact business in this State, and to exercise its privileges and immunities,
if it
(a) Files with the Secretary of State:
(1) The list required by NRS 87.541;
(2) The information required pursuant to NRS 77.310; and
(3) A declaration under penalty of perjury, on a form provided by the
Secretary of State, that the reinstatement is authorized by a court of
competent jurisdiction in this State or by the duly selected managing partners
of the foreign registered limited-liability partnership;
and
(b) Pays to the Secretary of State:
(1) The filing fee and penalty set forth in NRS 87.541 and 87.5425 for
each year or portion thereof that its right to transact business was forfeited;
and
(2) A fee of $300 for reinstatement.
2. When the Secretary of State reinstates the foreign registered limited-
liability partnership, the Secretary of State shall issue to the foreign
registered limited-liability partnership a certificate of reinstatement if the
foreign registered limited-liability partnership:
(a) Requests a certificate of reinstatement; and
(b) Pays the required fees pursuant to NRS 87.550.
3. The Secretary of State shall not order a reinstatement unless all
delinquent fees and penalties have been paid and the revocation of the right
to transact business occurred only by reason of failure to pay the fees and
penalties.
4. If the right of a foreign registered limited-liability partnership to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.

5. Except as otherwise provided in NRS 87.544, a reinstatement pursuant to this section relates back to the date on which the foreign registered limited-liability partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign registered limited-liability partnership's right to transact business as if such right had at all times remained in full force and effect. (Deleted by amendment.)

Sec. 90. [NRS 87A.290 is hereby amended to read as follows:

87A.290  1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:

(a) The name of the limited partnership;
(b) The file number of the limited partnership, if known;
(c) The names of all of its general partners;
(d) The address, either residence or business, of each general partner; and
(e) The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.

Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of chapter 76 of NRS, sections 2 to 62, inclusive, of this act, that the limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State, and that none of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.

2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:

(a) The initial list required by subsection 1, pay to the Secretary of State a fee of $125.
(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of $125.

3. A registered limited liability limited partnership shall, upon filing,
(a) The initial list required by subsection 1, pay to the Secretary of State a fee of $125.

(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of $125.

4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State a fee of $75 to file the resignation.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 87A.300.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a limited partnership not in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A filing made pursuant to this section does not satisfy the provisions of NRS 87A.240 and may not be substituted for filings submitted pursuant to NRS 87A.240.

9. A person who files with the Secretary of State a list required by subsection 1 which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.

11. The Secretary of State may adopt regulations to administer the provisions of subsection 10. (Deleted by amendment.)

Sec. 91. NRS 87A.240 is hereby amended to read as follows:

87A.240  1. Except as otherwise provided in subsections 3 and 4 and NRS 87A.200, and section 51 of this act, the Secretary of State shall reinstate any limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and restore to the limited partnership its right to carry on business in this State, and to exercise its privileges and immunities if its

(a) Files with the Secretary of State:

(1) The list required pursuant to NRS 87A.200;

(2) The statement required by NRS 87A.295, if applicable;
(3) The information required pursuant to NRS 77.310; and
(4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the limited partnership; and
(b) Pays to the Secretary of State:
(1) The filing fee and penalty set forth in NRS 87A.290 and 87A.300 for each year or portion thereof during which the certificate has been revoked;
(2) The fee set forth in NRS 87A.295, if applicable; and
(3) A fee of $300 for reinstatement.
2. When the Secretary of State reinstates the limited partnership, the Secretary of State shall issue to the limited partnership a certificate of reinstatement if the limited partnership:
(a) Requests a certificate of reinstatement; and
(b) Pays the required fees pursuant to NRS 87A.315.
3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation occurred only by reason of failure to pay the fees and penalties.
4. If a limited partnership's certificate has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 years, the certificate must not be reinstated.
5. If a limited partnership's certificate is reinstated pursuant to this section, the reinstatement relates back to and takes effect on the effective date of the revocation, and the limited partnership's status as a limited partnership continues as if the revocation had never occurred. (Deleted by amendment.)
Sec. 92. NRS 87A.560 is hereby amended to read as follows:
87A.560 1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
(a) The name of the foreign limited partnership;
(b) The file number of the foreign limited partnership, if known;
(c) The names of all its general partners;
(d) The address, either residence or business, of each general partner; and
(e) The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:

(a) The foreign limited partnership has complied with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act;

(b) The foreign limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and

(c) None of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.

3. Upon filing:

(a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of $125.

(b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of $125.

4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of $75 to file the resignation of the general partner.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 87A.560 to 87A.600, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 87A.560 to 87A.600, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A person who files with the Secretary of State a list required by this section which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.
9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.

10. The Secretary of State may adopt regulations to administer the provisions of subsection 9.

Sec. 93. [NRS 87A.595 is hereby amended to read as follows:

87A.595 1. Except as otherwise provided in subsections 2 and 4 and NRS 87A.580, and section 51 of this act, the Secretary of State shall reinstate a foreign limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited partnership its right to transact business in this State, and to exercise its privileges and immunities, if it:

(a) Files with the Secretary of State:
   (1) The list required by NRS 87A.560;
   (2) The statement required by NRS 87A.565, if applicable; and
   (3) The information required pursuant to NRS 77.310; and
   (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the foreign limited partnership; and

(b) Pays to the Secretary of State:
   (1) The filing fee and penalty set forth in NRS 87A.560 and 87A.585 for each year or portion thereof that its right to transact business was forfeited;
   (2) The fee set forth in NRS 87A.565, if applicable; and
   (3) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the foreign limited partnership, the Secretary of State shall issue to the foreign limited partnership a certificate of reinstatement if the foreign limited partnership:

(a) Requests a certificate of reinstatement; and

(b) Pays the required fee pursuant to NRS 87A.315.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a foreign limited partnership to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.

5. A reinstatement pursuant to this section relates back to the date on which the foreign limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited partnership's right to transact business as if such right had at all times remained in full force and effect.] (Deleted by amendment.)
Sec. 94. [NRS 88.395 is hereby amended to read as follows:

88.395 1. A limited partnership shall, on or before the last day of the first month after the filing of its certificate of limited partnership with the Secretary of State or, if the limited partnership has selected an alternative due date pursuant to subsection 10, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of limited partnership occurs or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State, on a form furnished by the Secretary of State, a list that contains:

(a) The name of the limited partnership;
(b) The file number of the limited partnership, if known;
(c) The names of all of its general partners;
(d) The address, either residence or business, of each general partner; and
(e) The signature of a general partner of the limited partnership, or some other person specifically authorized by the limited partnership to sign the list, certifying that the list is true, complete and accurate.

Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that the limited partnership has complied with the provisions of [chapter 76 of NRS, sections 2 to 62, inclusive, of this act, that the limited partnership acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State, and that none of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.

2. Except as otherwise provided in subsection 3, a limited partnership shall, upon filing:

(a) The initial list required by subsection 1, pay to the Secretary of State a fee of $125.
(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of $125.

3. A registered limited-liability limited partnership shall, upon filing:

(a) The initial list required by subsection 1, pay to the Secretary of State a fee of $125.
(b) Each annual list required by subsection 1, pay to the Secretary of State a fee of $175.

4. If a general partner of a limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the limited partnership or the resigning general partner shall pay to the Secretary of State
5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each limited partnership which is required to comply with the provisions of this section, and which has not become delinquent, a notice of the fee due pursuant to the provisions of subsection 2 or 3, as appropriate, and a reminder to file the annual list required pursuant to subsection 1. Failure of any limited partnership to receive a notice does not excuse it from the penalty imposed by NRS 88.400.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 2 or 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a limited partnership in default that is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A filing made pursuant to this section does not satisfy the provisions of NRS 88.355 and may not be substituted for filings submitted pursuant to NRS 88.355.

9. A person who files with the Secretary of State a list required by subsection 1 which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

10. The Secretary of State may allow a limited partnership to select an alternative due date for filing the initial list required by subsection 1.

11. The Secretary of State may adopt regulations to administer the provisions of subsection 10. (Deleted by amendment.)

Sec. 95. [NRS 88.410 is hereby amended to read as follows:]

88.410  1. Except as otherwise provided in subsections 2 and 4 and NRS 88.3355, and section 51 of this act, the Secretary of State shall reinstate any limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and restore to the limited partnership its right to carry on business in this State, and to exercise its privileges and immunities if it:

(a) Files with the Secretary of State:

(1) The list required pursuant to NRS 88.395;
(2) The statement required by NRS 88.397, if applicable;
(3) The information required pursuant to NRS 77.310; and
(4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the limited partnership; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 88.395 and 88.400 for each year or portion thereof during which the certificate has been revoked;
(2) The fee set forth in NRS 88.397, if applicable; and
(3) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the limited partnership, the Secretary of State shall issue to the limited partnership a certificate of reinstatement if the limited partnership:
(a) Requests a certificate of reinstatement; and
(b) Pays the required fees pursuant to NRS 88.415.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation occurred only by reason of failure to pay the fees and penalties.

4. If a limited partnership’s certificate has been revoked pursuant to the provisions of this chapter and has remained revoked for a period of 5 years, the certificate must not be reinstated.

5. Except as otherwise provided in NRS 88.327, a reinstatement pursuant to this section relates back to the date on which the limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the limited partnership’s right to transact business as if such right had at all times remained in full force and effect. [Deleted by amendment.]

Sec. 96. [NRS 88.591 is hereby amended to read as follows:]
88.591  1. Each foreign limited partnership doing business in this State shall, on or before the last day of the first month after the filing of its application for registration as a foreign limited partnership with the Secretary of State or, if the foreign limited partnership has selected an alternative due date pursuant to subsection 9, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of its qualification to do business in this State occurs in each year or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, file with the Secretary of State a list, on a form furnished by the Secretary of State, that contains:
(a) The name of the foreign limited partnership;
(b) The file number of the foreign limited partnership, if known;
(c) The names of all its general partners;
(d) The address, either residence or business, of each general partner; and
(e) The signature of a general partner of the foreign limited partnership, or some other person specifically authorized by the foreign limited partnership to sign the list, certifying that the list is true, complete and accurate.

2. Each list filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
(a) The foreign limited partnership has complied with the provisions of chapters 76 of NRS sections 2 to 62, inclusive, of this act,
(b) The foreign limited partnership acknowledges that pursuant to NRS 229.220, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
None of the general partners identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct.

3. Upon filing:

(a) The initial list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of $125.

(b) Each annual list required by this section, the foreign limited partnership shall pay to the Secretary of State a fee of $125.

4. If a general partner of a foreign limited partnership resigns and the resignation is not reflected on the annual or amended list of general partners, the foreign limited partnership or the resigning general partner shall pay to the Secretary of State a fee of $75 to file the resignation of the general partner.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign limited partnership, which is required to comply with the provisions of NRS 88.591 to 88.5945, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign limited partnership to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88.591 to 88.5945, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign limited partnership not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A person who files with the Secretary of State a list required by this section which identifies a general partner with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a general partner in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

9. The Secretary of State may allow a foreign limited partnership to select an alternative due date for filing the initial list required by this section.

10. The Secretary of State may adopt regulations to administer the provisions of subsection 94 (Deleted by amendment.)

Sec. 97. [NRS 88.594 is hereby amended to read as follows:

88.594 1. Except as otherwise provided in subsections 3 and 4 and NRS 88.5927, and section 51 of this act, the Secretary of State shall reinstate a foreign limited partnership which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign limited partnership its right to transact business in this State, and to exercise its privileges and immunities, if it.
(a) Files with the Secretary of State:
   (1) The list required by NRS 88.591;
   (2) The statement required by NRS 88.5915, if applicable;
   (3) The information required pursuant to NRS 77.210; and
   (4) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected general partners of the foreign limited partnership; and

(b) Pays to the Secretary of State:
   (1) The filing fee and penalty set forth in NRS 88.591 and 88.593 for each year or portion thereof that its right to transact business was forfeited;
   (2) The fee set forth in NRS 88.5915, if applicable; and
   (3) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the foreign limited partnership, the Secretary of State shall issue to the foreign limited partnership a certificate of reinstatement if the foreign limited partnership:
   (a) Requests a certificate of reinstatement; and
   (b) Pays the required fees pursuant to NRS 88.415.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a foreign limited partnership to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right is not subject to reinstatement.

5. Except as otherwise provided in NRS 88.5045, a reinstatement pursuant to this section relates back to the date on which the foreign limited partnership forfeited its right to transact business under the provisions of this chapter and reinstates the foreign limited partnership’s right to transact business as if such right had at all times remained in full force and effect.

(Deleted by amendment.)

Sec. 98. [NRS 88A.600 is hereby amended to read as follows:

88A.600. 1. A business trust formed pursuant to this chapter shall, on or before the last day of the first month after the filing of its certificate of trust with the Secretary of State or, if the business trust has selected an alternative due date pursuant to subsection 8, on or before that alternative due date, and annually thereafter on or before the last day of the month in which the anniversary date of the filing of its certificate of trust with the Secretary of State occurs, file with the Secretary of State or, if applicable, on or before the last day of the month in which the anniversary date of the alternative due date occurs in each year, on a form furnished by the Secretary of State, a list signed by at least one trustee, or by some other person specifically authorized by the business trust to sign the list, that contains the name and street address
of at least one trustee. Each list filed pursuant to this subsection must be accompanied by a declaration under penalty of perjury that:

(a) The business trust has complied with the provisions of [chapter 76 of NRS]; sections 2 to 62, inclusive, of this act

(b) The business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and

(c) None of the trustees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct.

2. Upon filing:

(a) The initial list required by subsection 1, the business trust shall pay to the Secretary of State a fee of $125.

(b) Each annual list required by subsection 1, the business trust shall pay to the Secretary of State a fee of $125.

3. If a trustee of a business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the business trust or the resigning trustee shall pay to the Secretary of State a fee of $75 to file the resignation.

4. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each business trust which is required to comply with the provisions of NRS 88A.600 to 88A.660, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 2 and a reminder to file the list required pursuant to subsection 1. Failure of a business trust to receive a notice does not excuse it from the penalty imposed by law.

5. An annual list for a business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year.

6. A person who files with the Secretary of State an initial list or annual list required by subsection 1 which identifies a trustee with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

7. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a business trust based solely on the fact that the person is a beneficial owner.

8. The Secretary of State may allow a business trust to select an alternative due date for filing the initial list required by subsection 1.

9. The Secretary of State may adopt regulations to administer the provisions of subsection 8.4 (Deleted by amendment.)

Sec. 99. [NRS 88A.650 is hereby amended to read as follows:

88A.650 1. Except as otherwise provided in subsections 2 and 4 and NRS 88A.245, and section 51 of this act, the Secretary of State shall reinstate
a business trust which has forfeited or which forfeits its right to transact
business pursuant to the provisions of this chapter and shall restore to the
business trust its right to carry on business in this State, and to exercise its
privileges and immunities, if it:
—(a) Files with the Secretary of State:
(1) The list required by NRS 88A.600;
(2) The information required pursuant to NRS 77.310; and
(3) A declaration under penalty of perjury, on a form provided by the
Secretary of State, that the reinstatement is authorized by a court of
competent jurisdiction in this State or by the duly selected trustees of the
business trust; and
—(b) Pays to the Secretary of State:
(1) The filing fee and penalty set forth in NRS 88A.600 and 88A.630
for each year or portion thereof during which its certificate of trust was
revoked; and
(2) A fee of $300 for reinstatement.
2. When the Secretary of State reinstates the business trust, the Secretary
of State shall issue to the business trust a certificate of reinstatement if the
business trust:
—(a) Requests a certificate of reinstatement; and
—(b) Pays the required fees pursuant to NRS 88A.900.
3. The Secretary of State shall not order a reinstatement unless all
delinquent fees and penalties have been paid, and the revocation of the
certificate of trust occurred only by reason of the failure to file the list or pay
the fees and penalties.
4. If a certificate of business trust has been revoked pursuant to the
provisions of this chapter and has remained revoked for a period of 5
consecutive years, the certificate must not be reinstated.
5. Except as otherwise provided in NRS 88A.660, a reinstatement
pursuant to this section relates back to the date on which the business trust
forfeited its right to transact business under the provisions of this chapter and
reinstates the business trust's right to transact business as if such right had at
all times remained in full force and effect.
Sec. 100. [NRS 88A.732 is hereby amended to read as follows:]
88A.732 1. Each foreign business trust doing business in this State
shall, on or before the last day of the first month after the filing of its
application for registration as a foreign business trust with the Secretary of
State or, if the foreign business trust has selected an alternative due date
pursuant to subsection 10, on or before that alternative due date, and annually
thereafter on or before the last day of the month in which the anniversary
date of its qualification to do business in the State occurs in each year or, if
applicable, on or before the last day of the month in which the anniversary
date of the alternative due date occurs in each year, file with the Secretary of
State a list, on a form furnished by the Secretary of State, that contains:
—(a) The name of the foreign business trust,
(b) The file number of the foreign business trust, if known;
(c) The name of at least one of its trustees;
(d) The address, either residence or business, of the trustee listed pursuant to paragraph (c); and
(e) The signature of a trustee of the foreign business trust, or some other person specifically authorized by the foreign business trust to sign the list, certifying that the list is true, complete and accurate.

2. Each list required to be filed pursuant to this section must be accompanied by a declaration under penalty of perjury that:
   (a) The foreign business trust has complied with the provisions of [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]
   (b) The foreign business trust acknowledges that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and
   (c) None of the trustees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a trustee in furtherance of any unlawful conduct.

3. Upon filing:
   (a) The initial list required by this section, the foreign business trust shall pay to the Secretary of State a fee of $125.
   (b) Each annual list required by this section, the foreign business trust shall pay to the Secretary of State a fee of $125.

4. If a trustee of a foreign business trust resigns and the resignation is not reflected on the annual or amended list of trustees, the foreign business trust or the resigning trustee shall pay to the Secretary of State a fee of $75 to file the resignation.

5. The Secretary of State shall, 90 days before the last day for filing each annual list required by subsection 1, provide to each foreign business trust which is required to comply with the provisions of NRS 88A.732 to 88A.738, inclusive, and which has not become delinquent, a notice of the fee due pursuant to subsection 3 and a reminder to file the list required pursuant to subsection 1. Failure of any foreign business trust to receive a notice does not excuse it from the penalty imposed by the provisions of NRS 88A.732 to 88A.738, inclusive.

6. If the list to be filed pursuant to the provisions of subsection 1 is defective or the fee required by subsection 3 is not paid, the Secretary of State may return the list for correction or payment.

7. An annual list for a foreign business trust not in default which is received by the Secretary of State more than 90 days before its due date shall be deemed an amended list for the previous year and does not satisfy the requirements of subsection 1 for the year to which the due date is applicable.

8. A person who files with the Secretary of State a list required by this section which identifies a trustee with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a
trustee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

9. For the purposes of this section, a person who is a beneficial owner is not deemed to exercise actual control of the daily operations of a foreign business trust based solely on the fact that the person is a beneficial owner.

10. The Secretary of State may allow a foreign business trust to select an alternative due date for filing the initial list required by this section.

11. The Secretary of State may adopt regulations to administer the provisions of subsection 10. (Deleted by amendment.)

Sec. 101. [NRS 88A.737 is hereby amended to read as follows:

88A.737 1. Except as otherwise provided in subsections 3 and 4 and NRS 88A.7345, and section 51 of this act, the Secretary of State shall reinstate a foreign business trust which has forfeited or which forfeits its right to transact business under the provisions of this chapter and shall restore to the foreign business trust its right to transact business in this State, and to exercise its privileges and immunities, if it:

(a) Files with the Secretary of State:

(1) The list required by NRS 88A.732;

(2) The information required pursuant to NRS 77.310; and

(2) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected trustees of the foreign business trust; and

(b) Pays to the Secretary of State:

(1) The filing fee and penalty set forth in NRS 88A.732 and 88A.735 for each year or portion thereof that its right to transact business was forfeited; and

(2) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the foreign business trust, the Secretary of State shall issue to the foreign business trust a certificate of reinstatement if the foreign business trust:

(a) Requests a certificate of reinstatement; and

(b) Pays the required fee pursuant to NRS 88A.900.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid and the revocation of the right to transact business occurred only by reason of failure to pay the fees and penalties.

4. If the right of a foreign business trust to transact business in this State has been forfeited pursuant to the provisions of this chapter and has remained forfeited for a period of 5 consecutive years, the right to transact business must not be reinstated.

5. Except as otherwise provided in NRS 88A.738, a reinstatement pursuant to this section relates back to the date the foreign business trust
forfeited its right to transact business under the provisions of this chapter and
reinstates the foreign business trust’s right to transact business as if such
right had at all times remained in full force and effect. (Deleted by
amendment.)

Sec. 102. [NRS 89.250 is hereby amended to read as follows:

89.250  1. Except as otherwise provided in subsection 2, a professional
association shall, on or before the last day of the first month after the filing of
its articles of association with the Secretary of State or, if the professional
association has elected an alternative due date pursuant to subsection 7, on
or before that alternative due date, and annually thereafter on or before the
last day of the month in which the anniversary date of its organization occurs
in each year or, if applicable, on or before the last day of the month in which
the anniversary date of the alternative due date occurs in each year, file with
the Secretary of State a list showing the names and addresses, either
residence or business, of all members and employees in the professional
association and certifying that all members and employees are licensed to
render professional service in this State.

2. A professional association organized and practicing pursuant to the
provisions of this chapter and NRS 623.349 shall, on or before the last day of
the first month after the filing of its articles of association with the Secretary
of State or, if the professional association has elected an alternative due date
pursuant to subsection 7, on or before that alternative due date, and annually
thereafter on or before the last day of the month in which the anniversary
date of its organization occurs in each year or, if applicable, on or before the
last day of the month in which the anniversary date of the alternative due date
occurs in each year, file with the Secretary of State a list:

(a) Showing the names and addresses, either residence or business, of all
members and employees of the professional association who are licensed or
otherwise authorized by law to render professional service in this State;
(b) Certifying that all members and employees who render professional
service are licensed or otherwise authorized by law to render professional
service in this State; and
(c) Certifying that all members who are not licensed to render professional
service in this State do not render professional service on behalf of the
professional association except as authorized by law.

3. Each list filed pursuant to this section must be:

(a) Made on a form furnished by the Secretary of State and must not
contain any fiscal or other information except that expressly called for by this
section.
(b) Signed by the chief executive officer of the professional association or
by some other person specifically authorized by the chief executive officer to
sign the list.
accompanied by a declaration under penalty of perjury that:

(1) The professional association has complied with the provisions of [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]

(2) The professional association acknowledges that pursuant to NRS 220.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State; and

(2) None of the members or employees identified in the list has been identified in the list with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a member or employee in furtherance of any unlawful conduct.

4. Upon filing:

(a) The initial list required by this section, the professional association shall pay to the Secretary of State a fee of $125.

(b) Each annual list required by this section, the professional association shall pay to the Secretary of State a fee of $125.

5. A person who files with the Secretary of State an initial list or annual list required by this section which identifies a member or an employee of a professional association with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a member or employee in furtherance of any unlawful conduct is subject to the penalty set forth in NRS 225.084.

6. For the purposes of this section, a person is not deemed to exercise actual control of the daily operations of a professional association based solely on the fact that the person holds an ownership interest in the professional association.

7. The Secretary of State may allow a professional association to select an alternative due date for filing the initial list required by this section.

8. The Secretary of State may adopt regulations to administer the provisions of subsection 7.]

Sec. 103. [NRS 89.256 is hereby amended to read as follows:

89.256  1. Except as otherwise provided in subsections 3 and 4 and section 51 of this act, the Secretary of State shall reinstate any professional association which has forfeited its right to transact business under the provisions of this chapter and restore the right to carry on business in this State and exercise its privileges and immunities if it:

(a) Files with the Secretary of State:

(1) The list and certification required by NRS 89.250;

(2) The information required pursuant to NRS 77.310; and

(3) A declaration under penalty of perjury, on a form provided by the Secretary of State, that the reinstatement is authorized by a court of competent jurisdiction in this State or by the duly selected chief executive officer of the professional association; and

(b) Pays to the Secretary of State:
(1) The filing fee and penalty set forth in NRS 89.250 and 89.252 for each year or portion thereof during which the articles of association have been revoked; and
(2) A fee of $300 for reinstatement.

2. When the Secretary of State reinstates the professional association, the Secretary of State shall issue to the professional association a certificate of reinstatement if the professional association:
   (a) Requests a certificate of reinstatement; and
   (b) Pays the required fees pursuant to subsection 7 of NRS 78.785.

3. The Secretary of State shall not order a reinstatement unless all delinquent fees and penalties have been paid, and the revocation of the articles of association occurred only by reason of the failure to pay the fees and penalties.

4. If the articles of association of a professional association have been revoked pursuant to the provisions of this chapter and have remained revoked for 10 consecutive years, the articles must not be reinstated.

5. A reinstatement pursuant to this section relates back to the date on which the professional association forfeited its right to transact business under the provisions of this chapter and reinstates the professional association’s right to transact business as if such right had at all times remained in full force and effect.

Sec. 104. NRS 90.377 is hereby amended to read as follows:
90.377 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent must indicate in the application submitted to the Administrator whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Secretary of State upon compliance with the provisions of [chapter 76 of NRS, sections 2 to 62, inclusive, of this act.

2. A license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent may not be renewed by the Administrator if:
   (a) The applicant fails to submit the information required by subsection 1;
   (b) The State Controller has informed the Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
Sec. 104.3. NRS 90.420 is hereby amended to read as follows:

90.420  1. The Administrator by order may deny, suspend or revoke any license, fine any licensed person, limit the activities governed by this chapter that an applicant or licensed person may perform in this State, bar an applicant or licensed person from association with a licensed broker-dealer or investment adviser or bar from employment with a licensed broker-dealer or investment adviser a person who is a partner, officer, director, sales representative, investment adviser or representative of an investment adviser, or a person occupying a similar status or performing a similar function for an applicant or licensed person, if the Administrator finds that the order is in the public interest and that the applicant or licensed person or, in the case of a broker-dealer or investment adviser, any partner, officer, director, sales representative, investment adviser, representative of an investment adviser, or person occupying a similar status or performing similar functions or any person directly or indirectly controlling the broker-dealer or investment adviser, or any transfer agent or any person directly or indirectly controlling the transfer agent:

(a) Has filed an application for licensing with the Administrator which, as of its effective date, or as of any date after filing in the case of an order denying effectiveness, was incomplete in a material respect or contained a statement that was, in light of the circumstances under which it was made, false or misleading with respect to a material fact;

(b) Has violated or failed to comply with a provision of this chapter as now or formerly in effect or a regulation or order adopted or issued under this chapter;

(c) Is the subject of an adjudication or determination after notice and opportunity for hearing, within the last 5 years by a securities agency or administrator of another state or a court of competent jurisdiction that the person has violated the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Commodity Exchange Act or the securities law of any other state, but only if the acts constituting the violation of that state’s law would constitute a violation of this chapter had the acts taken place in this State;

(d) Has been convicted of a felony or, within the previous 10 years has been convicted of a misdemeanor, which the Administrator finds:

1. Involves the purchase or sale of a security, taking a false oath, making a false report, bribery, perjury, burglary, robbery or conspiracy to commit any of the foregoing offenses;
(2) Arises out of the conduct of business as a broker-dealer, investment adviser, depository institution, insurance company or fiduciary;

(3) Involves the larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion or misappropriation of money or securities or conspiracy to commit any of the foregoing offenses; or

(4) Involves moral turpitude;

(e) Is or has been permanently or temporarily enjoined by any court of competent jurisdiction, unless the order has been vacated, from acting as an investment adviser, representative of an investment adviser, underwriter, broker-dealer or as an affiliated person or employee of an investment company, depository institution or insurance company or from engaging in or continuing any conduct or practice in connection with any of the foregoing activities or in connection with the purchase or sale of a security;

(f) Is or has been the subject of an order of the Administrator, unless the order has been vacated, denying, suspending or revoking the person’s license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(g) Is or has been the subject of any of the following orders which were issued within the last 5 years, unless the order has been vacated:

(1) An order by the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Commodity Futures Trading Commission, or by the Securities and Exchange Commission or a comparable regulatory agency of another country, entered after notice and opportunity for hearing, denying, suspending or revoking the person’s license as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent;

(2) A suspension or expulsion from membership in or association with a member of a self-regulatory organization;

(3) An order by a self-regulatory organization that prohibits the person from serving, indefinitely or for a specified period, as a principal or in a supervisory capacity within a business or organization which is a member of a self-regulatory organization;

(4) An order of the United States Postal Service relating to fraud;

(5) An order to cease and desist entered after notice and opportunity for hearing by the Administrator, the securities agency or administrator of another state, jurisdiction, Canadian province or territory, the Securities and Exchange Commission or a comparable regulatory agency of another country, or the Commodity Futures Trading Commission; or

(6) An order by the Commodity Futures Trading Commission denying, suspending or revoking registration under the Commodity Exchange Act;

(h) Has engaged in unethical or dishonest practices in the securities business;
(i) Is insolvent, either in the sense that liabilities exceed assets or in the sense that obligations cannot be met as they mature, but the Administrator may not enter an order against a broker-dealer or investment adviser under this paragraph without a finding of insolvency as to the broker-dealer or investment adviser;

(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS \( \text{or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act} \);

(k) Is determined by the Administrator in compliance with NRS 90.430 not to be qualified on the basis of lack of training, experience and knowledge of the securities business; or

(l) Has failed reasonably to supervise a sales representative, employee or representative of an investment adviser.

2. The Administrator may not institute a proceeding on the basis of a fact or transaction known to the director when the license became effective unless the proceeding is instituted within 90 days after issuance of the license.

3. If the Administrator finds that an applicant or licensed person is no longer in existence or has ceased to do business as a broker-dealer, sales representative, investment adviser, representative of an investment adviser or transfer agent or is adjudicated mentally incompetent or subjected to the control of a committee, conservator or guardian or cannot be located after reasonable search, the Administrator may by order deny the application or revoke the license.

Sec. 104.7. NRS 90.730 is hereby amended to read as follows:

90.730 1. Except as otherwise provided in subsection 2, information and records filed with or obtained by the Administrator are public information and are available for public examination.

2. Except as otherwise provided in subsections 3 and 4 and NRS 239.0115, the following information and records do not constitute public information under subsection 1 and are confidential:

(a) Information or records obtained by the Administrator in connection with an investigation concerning possible violations of this chapter; and

(b) Information or records filed with the Administrator in connection with a registration statement filed under this chapter or a report under NRS 90.390 which constitute trade secrets or commercial or financial information of a person for which that person is entitled to and has asserted a claim of privilege or confidentiality authorized by law.

3. The Administrator may submit any information or evidence obtained in connection with an investigation to the:

(a) Attorney General or appropriate district attorney for the purpose of prosecuting a criminal action under this chapter; and

(b) Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS or sections 2 to 62, inclusive, of this act.
4. The Administrator may disclose any information obtained in connection with an investigation pursuant to NRS 90.620 to the agencies and administrators specified in subsection 1 of NRS 90.740 but only if disclosure is provided for the purpose of a civil, administrative or criminal investigation or proceeding, and the receiving agency or administrator represents in writing that under applicable law protections exist to preserve the integrity, confidentiality and security of the information.

5. This chapter does not create any privilege or diminish any privilege existing at common law, by statute, regulation or otherwise.

Sec. 105. NRS 107.028 is hereby amended to read as follows:

107.028 1. The trustee under a deed of trust must be:
(a) An attorney licensed to practice law in this State;
(b) A title insurer or title agent authorized to do business in this State pursuant to chapter 692A of NRS;
(c) A person licensed pursuant to chapter 669 of NRS;
(d) A domestic or foreign entity which holds a current state business license issued by the [Secretary of State] Department of Taxation pursuant to [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]
(e) A person who does business under the laws of this State, the United States or another state relating to banks, savings banks, savings and loan associations or thrift companies;
(f) A person who is appointed as a fiduciary pursuant to NRS 662.245;
(g) A person who acts as a registered agent for a domestic or foreign corporation, limited liability company, limited partnership or limited liability partnership;
(h) A person who acts as a trustee of a trust holding real property for the primary purpose of facilitating any transaction with respect to real estate if he or she is not regularly engaged in the business of acting as a trustee for such trusts;
(i) A person who engages in the business of a collection agency pursuant to chapter 649 of NRS; or
(j) A person who engages in the business of an escrow agency, escrow agent or escrow officer pursuant to the provisions of chapter 645A or 692A of NRS.

2. A trustee under a deed of trust must not be the beneficiary of the deed of trust for the purposes of exercising the power of sale pursuant to NRS 107.080.

3. A trustee under a deed of trust must not:
(a) Lend its name or its corporate capacity to any person who is not qualified to be the trustee under a deed of trust pursuant to subsection 1;
(b) Act individually or in concert with any other person to circumvent the requirements of subsection 1;
(c) A beneficiary of record may replace its trustee with another trustee. The appointment of a new trustee is not effective until the substitution of
trustee is recorded in the office of the recorder of the county in which the real property is located.

5. The trustee does not have a fiduciary obligation to the grantor or any other person having an interest in the property which is subject to the deed of trust. The trustee shall act impartially and in good faith with respect to the deed of trust and shall act in accordance with the laws of this State. A rebuttable presumption that a trustee has acted impartially and in good faith exists if the trustee acts in compliance with the provisions of NRS 107.080. In performing acts required by NRS 107.080, the trustee incur no liability for any good faith error resulting from reliance on information provided by the beneficiary regarding the nature and the amount of the default under the obligation secured by the deed of trust if the trustee corrects the good faith error not later than 20 days after discovering the error.

6. If, in an action brought by a grantor, a person who holds title of record or a beneficiary in the district court in and for the county in which the real property is located, the court finds that the trustee did not comply with this section, any other provision of this chapter or any applicable provision of chapter 106 or 205 of NRS, the court must award to the grantor, the person who holds title of record or the beneficiary:

(a) Damages of $5,000 or treble the amount of actual damages, whichever is greater;
(b) An injunction enjoining the exercise of the power of sale until the beneficiary, the successor in interest of the beneficiary or the trustee complies with the requirements of subsections 2, 3 and 4; and
(c) Reasonable attorney's fees and costs, unless the court finds good cause for a different award. (Deleted by amendment.)

Sec. 106. NRS 116A.435 is hereby amended to read as follows:

116A.435 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate or registration must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A certificate or registration may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1, or
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1065 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 107. NRS 119A.212 is hereby amended to read as follows:
119A.212 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a sales agent’s license must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
2. A sales agent’s license may not be renewed by the Division if:
(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

Sec. 108. NRS 119A.255 is hereby amended to read as follows:
119A.255 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of registration as a representative must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
2. Registration as a representative may not be renewed by the Administrator if:
(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency.
that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

2. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 109. NRS 119A.533 is hereby amended to read as follows:

119A.533  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of registration with the Division to engage in the business of, act in the capacity of, advertise or assume to act as a manager must indicate in the application submitted to the Division whether the applicant has a state business licence. If the applicant has a state business licence, the applicant must include in the application the state business licence number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. Registration to engage in the business of, act in the capacity of, advertise or assume to act as a manager may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 110. NRS 239.010 is hereby amended to read as follows:

and section 16 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.

4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
   (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
   (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 111. NRS 240.015 is hereby amended to read as follows:

NRS 240.015. Except as otherwise provided in this section, a person appointed as a notary public must:

(a) During the period of his or her appointment, be a citizen of the United
States or lawfully admitted for permanent residency in the United States as verified by the United States Citizenship and Immigration Services.

(b) Be a resident of this State.

(c) Be at least 18 years of age.

(d) Possess his or her civil rights.

2. If a person appointed as a notary public ceases to be lawfully admitted for permanent residency in the United States during his or her appointment, the person shall, within 90 days after his or her lawful admission has expired or is otherwise terminated, submit to the Secretary of State evidence that the person is lawfully readmitted for permanent residency as verified by the United States Citizenship and Immigration Services. If the person fails to submit such evidence within the prescribed time, the person’s appointment expires by operation of law.

3. The Secretary of State may appoint a person who resides in an adjoining state as a notary public if the person:

(a) Maintains a place of business in the State of Nevada that is licensed pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act and any applicable business licensing requirements of the local government where the business is located; or

(b) Is regularly employed at an office, business or facility located within the State of Nevada by an employer licensed to do business in this State.

If such a person ceases to maintain a place of business in this State or regular employment at an office, business or facility located within this State, the Secretary of State may suspend the person’s appointment. The Secretary of State may reinstate an appointment suspended pursuant to this subsection if the notary public submits to the Secretary of State, before his or her term of appointment as a notary public expires, the information required pursuant to subsection 2 of NRS 240.030.

Sec. 112. NRS 240.030 is hereby amended to read as follows:

240.030 1. Each person applying for appointment as a notary public must:

(a) At the time the applicant submits his or her application, pay to the Secretary of State $35.

(b) Take and subscribe to the oath set forth in Section 2 of Article 15 of the Constitution of the State of Nevada as if the applicant were a public officer.

(c) Submit to the Secretary of State proof satisfactory to the Secretary of State that the applicant has enrolled in and successfully completed a course of study provided pursuant to NRS 240.018.

(d) Enter into a bond to the State of Nevada in the sum of $10,000, to be filed with the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. The applicant must submit to the Secretary of State a certificate
issued by the appropriate county clerk which indicates that the applicant filed the bond required pursuant to this paragraph.

(e) If required by the Secretary of State, submit:

(1) A complete set of the fingerprints of the applicant and written permission authorizing the Secretary of State to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; and

(2) A fee established by regulation of the Secretary of State which must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.

2. In addition to the requirements set forth in subsection 1, an applicant for appointment as a notary public who resides in an adjoining state must submit to the Secretary of State with the application:

(a) An affidavit setting forth the adjoining state in which the applicant resides, the applicant’s mailing address and the address of the applicant’s place of business or employment that is located within the State of Nevada;

(b) A copy of the applicant’s state business license issued pursuant to [chapter 76 of NRS sections 2 to 62, inclusive, of this act and any business license required by the local government where the business is located, if the applicant is self-employed; and

(c) Unless the applicant is self-employed, a copy of the state business license of the applicant’s employer, a copy of any business license of the applicant’s employer that is required by the local government where the business is located and an affidavit from the applicant’s employer setting forth the facts which show that the employer regularly employs the applicant at an office, business or facility which is located within the State of Nevada.

3. In completing an application, bond, oath or other document necessary to apply for appointment as a notary public, an applicant must not be required to disclose his or her residential address or telephone number on any such document which will become available to the public.

4. The bond, together with the oath, must be filed and recorded in the office of the county clerk of the county in which the applicant resides when the applicant applies for the appointment or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. On a form provided by the Secretary of State, the county clerk shall immediately certify to the Secretary of State that the required bond and oath have been filed and recorded. Upon receipt of the application, fee and certification that the required bond and oath have been filed and recorded, the Secretary of State shall issue a certificate of appointment as a notary public to the applicant.

5. The term of a notary public commences on the effective date of the
A notary public shall not perform a notarial act after the effective date of the bond unless the notary public has been issued a certificate of appointment.

6. Except as otherwise provided in this subsection, the Secretary of State shall charge a fee of $10 for each duplicate or amended certificate of appointment which is issued to a notary. If the notary public does not receive an original certificate of appointment, the Secretary of State shall provide a duplicate certificate of appointment without charge if the notary public requests such a duplicate within 60 days after the date on which the original certificate was issued. (Deleted by amendment.)

Sec. 113. NRS 240.031 is hereby amended to read as follows:

240.031 A notary public who is a resident of an adjoining state shall submit to the Secretary of State annually, within 30 days before the anniversary date of his or her appointment as a notary public, a copy of the state business license of the place of employment of the notary public in the State of Nevada issued pursuant to [chapter 76 of NRS,] sections 2 to 62, inclusive, of this act, a copy of any license required by the local government where the business is located and the information required pursuant to subsection 2 of NRS 240.030. (Deleted by amendment.)

Sec. 114. NRS 240.192 is hereby amended to read as follows:

240.192 1. Each person applying for appointment as an electronic notary public must:

(a) At the time of application, be a notarial officer in this State and have been a notarial officer in this State for not less than 4 years;

(b) Submit to the Secretary of State an electronic application pursuant to subsection 2;

(c) Pay to the Secretary of State an application fee of $50;

(d) Take and subscribe to the oath set forth in Section 2 of Article 15 of the Constitution of the State of Nevada as if the applicant were a public officer;

(e) Submit to the Secretary of State proof satisfactory to the Secretary of State that the applicant has successfully completed a course of study provided pursuant to NRS 240.195; and

(f) Enter into a bond to the State of Nevada in the sum of $10,000, to be filed with the clerk of the county in which the applicant resides or, if the applicant is a resident of an adjoining state, with the clerk of the county in the State in which the applicant maintains a place of business or is employed. The applicant must submit to the Secretary of State a certificate issued by the appropriate county clerk which indicates that the applicant filed the bond required pursuant to this paragraph.

2. The application for an appointment as an electronic notary public must be submitted as an electronic document and must contain, without limitation, the following information:
(a) The applicant’s full legal name, and the name to be used for appointment, if different.
(b) The county in which the applicant resides.
(c) The electronic-mail address of the applicant.
(d) A description of the technology or device, approved by the Secretary of State, that the applicant intends to use to create his or her electronic signature in performing electronic notarial acts.
(e) The electronic signature of the applicant.
(f) Any other information requested by the Secretary of State.

3. An applicant for appointment as an electronic notary public who resides in an adjoining state, in addition to the requirements set forth in subsections 1 and 2, must submit to the Secretary of State with the application:
(a) An affidavit setting forth the adjoining state in which the applicant resides, the applicant’s mailing address and the address of the applicant’s place of business or employment that is located within the State of Nevada,
(b) A copy of the applicant’s state business license issued pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act and any business license required by the local government where the applicant’s business is located, if the applicant is self-employed; and
(c) Unless the applicant is self-employed, a copy of the state business license of the applicant’s employer issued pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act, a copy of any business license of the applicant’s employer that is required by the local government where the business is located and an affidavit from the applicant’s employer setting forth the facts which show that the employer regularly employs the applicant at an office, business or facility which is located within the State of Nevada.

4. In completing an application, bond, oath or other document necessary to apply for appointment as an electronic notary public, an applicant must not be required to disclose his or her residential address or telephone number on any such document which will become available to the public.

5. The bond, together with the oath, must be filed and recorded in the office of the county clerk of the county in which the applicant resides when the applicant applies for appointment or, if the applicant is a resident of an adjoining state, with the clerk of the county in this State in which the applicant maintains a place of business or is employed. On a form provided by the Secretary of State, the county clerk shall immediately certify to the Secretary of State that the required bond and oath have been filed and recorded. Upon receipt of the application, fee and certification that the required bond and oath have been filed and recorded, the Secretary of State shall issue a certificate of appointment as an electronic notary public to the applicant.

6. The term of an electronic notary public commences on the effective date of the bond required pursuant to paragraph (f) of subsection 1. An electronic notary public shall not perform an electronic notarial act after the
effective date of the bond unless the electronic notary public has been issued a certificate of appointment pursuant to subsection 5.

7. Except as otherwise provided in this subsection, the Secretary of State shall charge a fee of $10 for each duplicate or amended certificate of appointment which is issued to an electronic notary public. If the electronic notary public does not receive an original certificate of appointment, the Secretary of State shall provide a duplicate certificate of appointment without charge if the electronic notary public requests such a duplicate within 60 days after the date on which the original certificate was issued. (Deleted by amendment.)

Sec. 115. [NRS 240A.170 is hereby amended to read as follows:

240A.170 1. A registrant required to obtain a state business license issued by the [Secretary of State] Department of Taxation pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act shall:

(a) Obtain a state business license before offering a document preparation service; and

(b) Maintain a state business license during the period of the registrant’s registration as a document preparation service.

2. Each registrant shall display conspicuous in the registrant’s place of business a copy of:

(a) The state business license issued to the registrant or the registrant’s employer, as applicable, by the [Secretary of State] Department of Taxation pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act; and

(b) Any business license issued to the registrant or the registrant’s employer, as applicable, by a local government in this State.) (Deleted by amendment.)

Sec. 116. [NRS 240A.180 is hereby amended to read as follows:

240A.180 1. Before providing any services to a client or presenting a client with the contract required by NRS 240A.190, a registrant must:

(a) Furnish the client with a written form of disclosure meeting the requirements of this section, with a copy for the client to retain; and

(b) Require the client to read and sign the disclosure, acknowledging that the client has read and understands it.

2. The disclosure must be written in English and, if different, the language in which the registrant transacts business with the client and must include:

(a) The full name, business address and telephone number and registration number of the registrant.

(b) The name and business address of the registrant’s agent for service of process, if any, in this State.

(c) A statement that the registrant is not an attorney authorized to practice in this State and is prohibited from providing legal advice or legal representation to any person.
(d) Unless the registrant is an attorney licensed to practice in another state or other jurisdiction, a statement that any communication between the client and the registrant is not protected from disclosure by any privilege.

(e) A statement that the registrant has posted or filed with the Secretary of State a cash bond or surety bond, stating the amount of the bond and any identifying number of the bond.

(f) The expiration date of

(1) The state business license issued to the registrant or the registrant’s employer, as applicable, by the [Secretary of State] Department of Taxation pursuant to [chapter 76 of NRS;] sections 2 to 62, inclusive, of this act; and

(2) Any business license issued to the registrant or the registrant’s employer, as applicable, by a local government in this State. (Deleted by amendment.)

Sec. 117. [NRS 244.335 is hereby amended to read as follows:

244.335  1. Except as otherwise provided in subsections 2, 3 and 4, and NRS 244.33501, a board of county commissioners may:

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

(b) Except as otherwise provided in NRS 244.3350 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

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

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

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

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and
(b) Practices his or her profession for any type of compensation as an employee.

5. The county license board shall provide upon request an application for a state business license pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act. No license to engage in any type of business may be granted unless the applicant for the license:

(a) Submits an application for a state business license that is signed and sworn to under oath by the applicant or the applicant's authorized representative;

(b) Signs an affidavit affirming that the business has complied with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act;

(c) Provides to the county license board the entity number of the applicant assigned by the Secretary of State Department of Taxation which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

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

(a) Presents written evidence that:

(b) Provides to the county license board the entity number of the applicant assigned by the Secretary of State Department of Taxation which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

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

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

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

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

Sec. 118.  [NRS 268.095 is hereby amended to read as follows:

268.095  1.  Except as otherwise provided in subsection 4 and NRS 268.0951, the city council or other governing body of each incorporated city in this State, whether organized under general law or special charter, may:
   (a) Except as otherwise provided in subsection 2 and NRS 268.0968 and 576.128, fix, impose and collect for revenues or for regulation, or both, a license tax on all character of lawful trades, callings, industries, occupations, professions and businesses conducted within its corporate limits.
   (b) Assign the proceeds of any one or more of such license taxes to the county within which the city is situated for the purpose or purposes of making the proceeds available to the county:
      (1) As a pledge as additional security for the payment of any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;
      (2) For redeeming any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;
      (3) For defraying the costs of collecting or otherwise administering any such license tax so assigned, of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby;
      (4) For operating and maintaining recreational facilities under the jurisdiction of the county fair and recreation board;
      (5) For improving, extending and bettering recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive; and
      (6) For constructing, purchasing or otherwise acquiring such recreational facilities.
(c) Pledge the proceeds of any tax imposed on the revenues from the rental of transient lodging pursuant to this section for the payment of any general or special obligations issued by the city for a purpose authorized by the laws of this State.

(d) Use the proceeds of any tax imposed pursuant to this section on the revenues from the rental of transient lodging:

(1) To pay the principal, interest or any other indebtedness on any general or special obligations issued by the city pursuant to the laws of this State;

(2) For the expense of operating or maintaining, or both, any facilities of the city; and

(3) For any other purpose for which other money of the city may be used.

2. The city council or other governing body of an incorporated city shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

3. The proceeds of any tax imposed pursuant to this section that are pledged for the repayment of general obligations may be treated as “pledged revenues” for the purposes of NRS 350.020.

4. The city council or other governing body of an incorporated city shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, “professional” means a person who:

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

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

5. The city licensing agency shall provide upon request an application for a state business license pursuant to [chapter 76 of NRS. sections 2 to 62, inclusive, of this act. No license to engage in any type of business may be granted unless the applicant for the license:

(a) Signs an affidavit affirming that the business has complied with the provisions of [chapter 76 of NRS. sections 2 to 62, inclusive, of this act; or

(b) Provides to the city licensing agency the [entity] state business license number of the applicant assigned by the [Secretary of State] Department of Taxation which the city may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of [chapter 76 of NRS. sections 2 to 62, inclusive, of this act.
6. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license:
   (a) Presents written evidence that:
      (1) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or
      (2) Another regulatory agency of the State has issued or will issue a license required for this activity; or
   (b) Provides to the city licensing agency the entity number of the applicant assigned by the Secretary of State which the city may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of paragraph (a).

7. Any license tax levied under the provisions of this section constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:
   (a) By recording in the office of the county recorder, within 6 months following the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:
      (1) The amount of tax due and the appropriate year;
      (2) The name of the record owner of the property;
      (3) A description of the property sufficient for identification; and
      (4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and
   (b) By an action for foreclosure against such property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The city council or other governing body of each incorporated city may delegate the power and authority to enforce such liens to the county fair and recreation board. If the authority is so delegated, the governing body shall revoke or suspend the license of a business upon certification by the board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 268.0966, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of those license taxes or at the result of any audit or examination of the books of the city by any authorized employee of a county fair and recreation board for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, official or employee of the county fair and recreation board or the city imposing the license tax unless the disclosure is authorized by the
affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or the Secretary of State for the exchange of information concerning taxpayers.

9. The powers conferred by this section are in addition and supplemental to, and not in substitution for, and the limitations imposed by this section do not affect the powers conferred by, any other law. No part of this section repeals or affects any other law or any part thereof; it being intended that this section provide a separate method of accomplishing its objectives, and not an exclusive one.] (Deleted by amendment.)

Sec. 119. [NRS 332.352 is hereby amended to read as follows:

332.352 1. Except as otherwise provided in NRS 332.352, a local government shall use the following criteria for determining whether a person satisfies the requirements to be a qualified service company pursuant to NRS 332.360:

(a) The financial ability of the applicant to perform the work required by the local government;

(b) Whether the applicant possesses a state business license issued pursuant to [chapter 76 of NRS; sections 2 to 62, inclusive, of this act;]

(c) Whether the applicant possesses a valid contractor’s license issued pursuant to chapter 624 of NRS of a class corresponding to the work required by the local government and, if engineering work is required, whether the applicant possesses a valid license as a professional engineer issued pursuant to chapter 625 of NRS;

(d) Whether the applicant has the ability to obtain the necessary bonding for the work required by the local government;

(e) Whether the applicant has successfully completed an appropriate number of projects as determined by the local government, but not to exceed five projects, during the 5 years immediately preceding the date of application of similar size, scope or type as the work required by the local government;

(f) Whether the principal personnel employed by the applicant have the necessary professional qualifications and experience for the work required by the local government;

(g) Whether the applicant has breached any contracts with a public agency or person in this State or any other state during the 5 years immediately preceding the date of application;

(h) Whether the applicant has been disqualified from being awarded a contract by any governing body in the State of Nevada;

(i) Whether the applicant has been convicted of a violation for discrimination in employment during the 2 years immediately preceding the date of application.
(j) Whether the applicant has the ability to obtain and maintain insurance coverage for public liability and property damage within limits sufficient to protect the applicant and all the subcontractors of the applicant from claims for personal injury, accidental death and damage to property that may arise in connection with the work required by the local government;

(k) Whether the applicant has established a safety program that complies with the requirements of chapter 618 of NRS;

(l) Whether the applicant has been disciplined or fined by the State Contractors' Board or another state or federal agency for conduct that relates to the ability of the applicant to perform the work required by the local government;

(m) Whether, during the 5 years immediately preceding the date of application, the applicant has filed as a debtor under the provisions of the United States Bankruptcy Code;

(n) Whether the application is truthful and complete; and

(o) Whether, during the 5 years immediately preceding the date of application, the applicant has, as a result of causes within the control of the applicant or a subcontractor or supplier of the applicant, failed to perform any contract:

1. In the manner specified by the contract and any change orders initiated or approved by the person or governmental entity that awarded the contract or its authorized representative;

2. Within the time specified by the contract unless extended by the person or governmental entity that awarded the contract or its authorized representative; or

3. For the amount of money specified in the contract or as modified by any change orders initiated or approved by the person or governmental entity that awarded the contract or its authorized representative.

Evidence of the failures described in this subsection may include, without limitation, the assessment of liquidated damages against the applicant, the forfeiture of any bonds posted by the applicant, an arbitration award granted against the applicant or a decision by a court of law against the applicant.

2. Except as otherwise provided in NRS 332.353, in addition to the criteria described in subsection 1, the local government may use any other relevant criteria that are necessary to determine whether a person satisfies the requirements to be a qualified service company pursuant to NRS 332.360.

Sec. 120. [NRS 332.360 is hereby amended to read as follows:

332.360  1. Notwithstanding any provision of this chapter and chapter 338 of NRS to the contrary, a local government may enter into a performance contract with a qualified service company for the purchase and installation of an operating-cost-savings measure to reduce costs related to energy, water and the disposal of waste, and related labor costs. Such a performance contract may include a clause granting the local government, the State Contractors' Board or the State Contractors' Board's authorized representative, the power to determine that a qualified service company has failed to perform any contract:
contract may be in the form of an installment payment contract or a lease-purchase contract. Any operating cost-saving measures put into place as a result of a performance contract must comply with all applicable building codes.

2. If a local government is interested in entering into a performance contract, the local government shall notify each appropriate qualified service company and coordinate an opportunity for each such qualified service company to:
   (a) Perform a preliminary and comprehensive audit and assessment of all potential operating cost-saving measures that might be implemented within the buildings of the local government, including any operating cost-saving measures specifically requested by the local government; and
   (b) Submit a proposal and make a related presentation to the local government for all such operating cost-saving measures that the qualified service company determines would be practicable to implement.

3. The local government shall:
   (a) Evaluate the proposals and presentations made pursuant to subsection 2; and
   (b) Select a qualified service company, pursuant to the provisions of NRS 332.300 to 332.440, inclusive.

4. The local government may enter into a contract with the Office of Energy or retain the professional services of a third-party consultant with the requisite technical expertise to assist the local government in evaluating the proposals and presentations pursuant to subsection 2. If the local government retains the professional services of a third-party consultant, the third-party consultant must possess a state business license issued pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act and any other applicable licenses issued by a licensing board in this State in the same discipline in which the consultant will be advising the local government.

5. The qualified service company selected by the local government pursuant to subsection 3 shall prepare a financial-grade operational audit. Except as otherwise provided in this subsection, the audit prepared by the qualified service company becomes, upon acceptance, a part of the final performance contract and the costs incurred by the qualified service company in preparing the audit shall be deemed to be part of the performance contract. If, after the audit is prepared, the local government decides not to execute the performance contract, the local government shall pay the qualified service company that prepared the audit the costs incurred by the qualified service company in preparing the audit if the local government has specifically appropriated money for that purpose.

6. The local government shall enter into a contract with the Office of Energy or retain the professional services of a third-party consultant with the requisite technical expertise to assist the local government in reviewing the
operating-cost-savings measures proposed by the qualified service company and may procure sufficient funding from the qualified service company, through negotiation, to pay for the costs incurred by the Office of Energy or the third-party consultant. If the local government retains the professional services of a third-party consultant, the third-party consultant must be licensed pursuant to chapter 625 of NRS and certified by the Association of Energy Engineers as a “Certified Energy Manager” or hold similar credentials from a comparable nationally recognized organization. The Office of Energy or a third-party consultant retained pursuant to this subsection shall work on behalf and for the benefit of the local government in coordination with the qualified service company. [Deleted by amendment.]

Sec. 121. [NRS 338.072 is hereby amended to read as follows:]

338.072  A subcontractor who enters into a subcontract for a public work shall not accept or otherwise receive any public money for the public work, including, without limitation, accepting or receiving any public money as a payment from a contractor, unless the subcontractor is the holder of a state business license issued pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.[Deleted by amendment.]

Sec. 122. [NRS 353.007 is hereby amended to read as follows:]

353.007  1. A person shall not enter into a contract with the State of Nevada unless the person is a holder of a state business license issued pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. The provisions of this section apply to all offices, departments, divisions, boards, commissions, institutions, agencies or any other unit of:
   (a) The Legislative, Executive and Judicial Departments of the State Government;
   (b) The Nevada System of Higher Education; and
   (c) The Public Employees’ Retirement System.[Deleted by amendment.]

Sec. 123. [NRS 353C.1965 is hereby amended to read as follows:]

353C.1965  1. The State Controller shall establish and maintain a list of persons who owe a debt to an agency that has been assigned to the State Controller for collection pursuant to NRS 353C.195.

2. A licensing agency shall provide to the State Controller:
   (a) The name, address and social security number or employer identification number, as applicable, of each licensee; and
   (b) The state business license number of the licensee, if the licensee has a state business license.

3. A licensing agency shall provide the information described in subsection 2:
   (a) On or before February 1 of each year for licensees who renewed licenses from July 1 through December 31 of the previous calendar year; or
   (b) On or before August 1 of each year for licensees who renewed licenses from January 1 through June 30 of the current calendar year.
4. If the State Controller determines that the name of any licensee appears on the list established by the State Controller pursuant to subsection 1, the State Controller shall send a written notice to the licensee, which includes, without limitation:
   (a) The amount of the debt;
   (b) A request for payment of the debt;
   (c) Notification that the licensee may enter into an agreement with the State Controller pursuant to NRS 353C.130 for the payment of the debt;
   (d) Notification that the licensee must respond to the notice within 30 days after the date on which the notice was sent;
   (e) Notification that the licensee may request a hearing to determine the validity of the debt not later than 30 days after the date on which the notice was sent; and
   (f) Notification that the licensing agency is prohibited from renewing the license of the licensee unless the licensee pays the debt, enters into an agreement for the payment of the debt pursuant to NRS 353C.130 or demonstrates to the State Controller that the debt is not valid.

5. The State Controller shall notify the licensing agency if the licensee does not pay the debt that has been assigned to the State Controller for collection, enter into an agreement for the payment of the debt pursuant to NRS 353C.130 or demonstrate that the debt is not valid. A licensing agency shall not renew the license of the licensee who is the subject of the notification until the State Controller notifies the licensing agency that the licensee has:
   (a) Satisfied the debt;
   (b) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
   (c) Demonstrated that the debt is not valid.

6. Information shared between the State Controller and a licensing agency to carry out the provisions of this section is not a public record.

7. A licensing agency may not be held liable in any civil action for any action taken by the licensing agency in good faith to comply with the provisions of this section.

8. The State Controller shall verify with the [Secretary of State] Department of Taxation the information related to the state business license of each licensee.

9. The State Controller shall adopt such regulations as the State Controller determines necessary or advisable to carry out the provisions of this section.

10. As used in this section:
   (a) "License" means any license, certification, registration, permit or other authorization that grants a person the authority to engage in a profession or occupation in this State.
   (b) "Licensee" means a person to whom a license has been issued.
“Licensing agency” means any agency, board or commission that regulates an occupation or profession except for the Department of Motor Vehicles, the Division of Insurance of the Department of Business and Industry, the Commissioner of Insurance or any local government. 

Sec. 124. NRS 379.0079 is hereby amended to read as follows:

379.0079 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of certification by the State Library and Archives Administrator must indicate in the application submitted to the State Library and Archives Administrator whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. Certification may not be renewed by the State Library and Archives Administrator if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the State Library and Archives Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 125. NRS 391.0345 is hereby amended to read as follows:

391.0345 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a teacher or other educational personnel must indicate in the application submitted to the Superintendent of Public Instruction whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A license may not be renewed by the Superintendent of Public Instruction if:

(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Superintendent of Public Instruction pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 126. NRS 394.474 is hereby amended to read as follows:

394.474 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of an agent’s permit must indicate in the application submitted to the Administrator whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of chapter 76 of NRS. Sections 2 to 62, inclusive, of this act.

2. An agent’s permit may not be renewed by the Administrator if:

(a) The applicant fails to submit the information required by subsection 1, or

(b) The State Controller has informed the Administrator pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 127. NRS 408.379 is hereby amended to read as follows:

408.379 1. A subcontractor who enters into a subcontract for a project for the construction and maintenance of a highway shall not accept or otherwise receive any public money for the project, including, without limitation, accepting or receiving any public money as a payment from a contractor, unless the subcontractor is the holder of a state business license issued pursuant to chapter 76 of NRS. Sections 2 to 62, inclusive, of this act.
2. As used in this section, “subcontractor” has the meaning ascribed to it in NRS 338.010.] (Deleted by amendment.)

Sec. 128. [NRS 424.099 is hereby amended to read as follows:

424.099 1. A foster care agency must:
   (a) Be organized as a business entity that is registered with the [Secretary of State] Department of Taxation and holds a valid state business license pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act;
   (b) Have a governing body, at least one member of which has knowledge of and experience in the programs and services offered by the foster care agency; and
   (c) Operate under articles of incorporation.

2. The governing body of a foster care agency must have a written constitution or bylaws which prescribe the responsibility for the operation and maintenance of the foster care agency and which must include, without limitation, provisions that:
   (a) Define the qualifications for and types of membership on the governing body;
   (b) Specify the process for selecting members of the governing body, the terms of office for the members and officers of the governing body, and orientation for new members of the governing body;
   (c) Specify how frequently the governing body must meet; and
   (d) Specify prohibited conflicts of interest of members of the governing body and employees, volunteers and independent contractors of the foster care agency.

3. The governing body of a foster care agency shall appoint a person to provide oversight of the foster care agency who meets the qualifications described in NRS 424.115.

4. If the foster care agency is organized in another state, the governing body must meet at least once each year within this State or have a subcommittee whose members are residents of this State, one of whom is a member of the governing body, which is responsible to the governing body for ensuring that the foster care agency complies with the provisions of this chapter and any regulations adopted pursuant thereto.] (Deleting by amendment.)

Sec. 129. [NRS 435.229 is hereby amended to read as follows:

435.229 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.
2. A certificate may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1; or

(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 130. [NRS 435.3335 is hereby amended to read as follows:

435.3335  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A certificate may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1; or

(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.] (Deleted by amendment.)

Sec. 131. [NRS 449.432 is hereby amended to read as follows:

449.432  1. In addition to any other requirements set forth in NRS 449.4304 to 449.4339, inclusive, an applicant for the renewal of a certificate as an intermediary service organization must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of
2. A certificate as an intermediary service organization may not be renewed by the Division if:
   (a) The applicant fails to submit the information required by subsection 1; or
   (b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 132. NRS 455C.155 is hereby amended to read as follows:
455C.155 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of chapter 76 of NRS, sections 2 to 62, inclusive, of this act.

2. A certificate may not be renewed by the Division if:
   (a) The applicant fails to submit the information required by subsection 1; or
   (b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 133. NRS 457.1853 is hereby amended to read as follows:
457.1853 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate of authorization to
operate a radiation machine for mammography must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A certificate of authorization to operate a radiation machine for mammography may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1;

or

(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 134. [NRS 458.029 is hereby amended to read as follows:

458.029 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of certification as a detoxification technician must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. Certification as a detoxification technician may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1;

or

(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(2) Demonstrated that the debt is not valid.

3. As used in this section:
Sec. 135. [NRS 459.3824 is hereby amended to read as follows:]

459.3824  1. The owner or operator of a facility shall pay to the Division an annual fee based on the fiscal year. The annual fee for each facility is the sum of a base fee set by the State Environmental Commission and any additional fee imposed by the Commission pursuant to subsection 2. The annual fee must be prorated and may not be refunded.

2. The State Environmental Commission may impose an additional fee upon the owner or operator of a facility in an amount determined by the Commission to be necessary to enable the Division to carry out its duties pursuant to NRS 450.380 to 450.3874, inclusive, and any regulations adopted pursuant thereto. The additional fee must be based on a graduated schedule adopted by the Commission which takes into consideration the quantity of hazardous substances located at each facility.

3. After the payment of the initial annual fee, the Division shall send the owner or operator of a facility a bill in July for the annual fee for the fiscal year then beginning which is based on the applicable reports for the preceding year.

4. The State Environmental Commission may modify the amount of the annual fee required pursuant to this section and the timing for payment of the annual fee:

(a) To include consideration of any fee paid to the Division for a permit to construct a new process or commence operation of a new process pursuant to NRS 450.3829; and

(b) If any regulations adopted pursuant to NRS 450.380 to 450.3874, inclusive, require such a modification.

5. The owner or operator of a facility shall submit, with any payment required by this section, the business license number assigned by the Secretary of State Department of Taxation upon compliance by the owner with the provisions of sections 2 to 62, inclusive, of this act.

6. All fees, fines, penalties and other money collected pursuant to NRS 450.380 to 450.3874, inclusive, and any regulations adopted pursuant thereto, other than a fine collected pursuant to subsection 2 of NRS 450.3824, must be deposited with the State Treasurer for credit to the Account for Precaution Against Chemical Accidents, which is hereby created in the State General Fund. All interest earned on the money in the Account must be credited to the Account. (Deleted by amendment.)

Sec. 136. [NRS 463.33505 is hereby amended to read as follows:]

463.33505  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of registration as a gaming employee must indicate in the application submitted to the Board whether the applicant has a state business license. If the applicant has a state business license, the
applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. Registration as a gaming employee may not be renewed by the Board if:
   (a) The applicant fails to submit the information required by subsection 1; or
   (b) The State Controller has informed the Board pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 352C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 137. [NRS 463.435 is hereby amended to read as follows:]

463.435 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license issued pursuant to NRS 463.430 to 463.480, inclusive, must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license issued pursuant to NRS 463.430 to 463.480, inclusive, may not be renewed by the Commission if:
   (a) The applicant fails to submit the information required by subsection 1; or
   (b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 352C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)
Sec. 138. [NRS 463.6505 is hereby amended to read as follows:

463.6505  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a manufacturer, distributor or seller of gaming devices or mobile gaming systems must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license as a manufacturer, distributor or seller of gaming devices or mobile gaming systems may not be renewed by the Commission if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.] (Deleted by amendment.)

Sec. 139. [NRS 466.171 is hereby amended to read as follows:

466.171  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license issued pursuant to NRS 466.170 must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license issued pursuant to NRS 466.170 may not be renewed by the Commission if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) "Agency" has the meaning ascribed to it in NRS 353C.020.
(b) "Debt" has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)
Sec. 140. [NRS 467.1003 is hereby amended to read as follows:]
467.1003  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license issued pursuant to NRS 467.100 must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
2. A license issued pursuant to NRS 467.100 may not be renewed by the Commission if:
(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) "Agency" has the meaning ascribed to it in NRS 353C.020.
(b) "Debt" has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)
Sec. 141. [NRS 477.2235 is hereby amended to read as follows:]
477.2235  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate of registration pursuant to NRS 477.223 must indicate in the application submitted to the State Fire Marshal whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
2. A certificate of registration issued pursuant to NRS 477.223 may not
be renewed by the State Fire Marshal if:
(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the State Fire Marshal pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 142. [NRS 505.045 is hereby amended to read as follows:
505.045 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a fur dealer’s license must indicate in the application submitted to the Department whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Secretary of State Department of Taxation upon compliance with the provisions of chapter 76 of NRS. sections 2 to 62, inclusive, of this act.
2. A fur dealer’s license may not be renewed by the Department if:
(a) The applicant fails to submit the information required by subsection 1; or
(b) The State Controller has informed the Department pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.](Deleted by amendment.)

Sec. 143. [NRS 534.141 is hereby amended to read as follows:
534.141 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license to drill pursuant to NRS 534.140 must indicate in the application submitted to the State Engineer
whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license to drill issued pursuant to NRS 534.140 may not be renewed by the State Engineer if:
   (a) The applicant fails to submit the information required by subsection 1;
   or
   (b) The State Controller has informed the State Engineer pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 144. [NRS 544.145 is hereby amended to read as follows:

544.145  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license to engage in activities for weather modification and control must indicate in the application submitted to the Director whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license to engage in activities for weather modification and control may not be renewed by the Director if:
   (a) The applicant fails to submit the information required by subsection 1;
   or
   (b) The State Controller has informed the Director pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
      (1) Satisfied the debt;
      (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
      (3) Demonstrated that the debt is not valid.

3. As used in this section:
Sec. 145. NRS 555.322 is hereby amended to read as follows:
555.322 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license must indicate in the application submitted to the Director whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of sections 2 to 62, inclusive, of this act.
2. A license may not be renewed by the Director if:
(a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Director pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 146. NRS 576.105 is hereby amended to read as follows:
576.105 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license to act as a broker, dealer, commission merchant or agent must indicate in the application submitted to the Department whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of sections 2 to 62, inclusive, of this act.
2. A license to act as a broker, dealer, commission merchant or agent may not be renewed by the Department if:
(a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Department pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
— (1) Satisfied the debt;
— (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
— (2) Demonstrated that the debt is not valid.

3. As used in this section:
— (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
— (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 147. NRS 581.1036 is hereby amended to read as follows:
581.1036  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a certificate of registration pursuant to NRS 581.102 must indicate in the application submitted to the State Sealer of Consumer Equitability whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of chapters 2 to 62, inclusive, of this act.

2. A certificate of registration may not be renewed by the State Sealer of Consumer Equitability if:
— (a) The applicant fails to submit the information required by subsection 1;
— (b) The State Controller has informed the State Sealer of Consumer Equitability pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
— (1) Satisfied the debt;
— (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
— (2) Demonstrated that the debt is not valid.

3. As used in this section:
— (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
— (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 148. NRS 582.047 is hereby amended to read as follows:
582.047  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a public weighmaster must indicate in the application submitted to the State Sealer of Consumer Equitability whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of chapters 2 to 62, inclusive, of this act.
A license as a public weighmaster may not be renewed by the State Sealer of Consumer Equitability if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the State Sealer of Consumer Equitability pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

2. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 149. NRS 584.227 is hereby amended to read as follows:

584.227 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a milk tester's license must indicate in the application submitted to the Commission whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the Department of Taxation upon compliance with the provisions of章节 76 of NRS sections 2 to 62, inclusive, of this act.

2. A milk tester's license may not be renewed by the Commission if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the Commission pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) “Agency” has the meaning ascribed to it in NRS 353C.020.

(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 150. NRS 587.395 is hereby amended to read as follows:

587.395 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license to inspect or classify
agricultural products must indicate in the application submitted to the State Quarantine Officer whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A license to inspect or classify agricultural products may not be renewed by the State Quarantine Officer if:
   
   (a) The applicant fails to submit the information required by subsection 1; or
   
   (b) The State Controller has informed the State Quarantine Officer pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
   
   (1) Satisfied the debt;
   
   (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
   
   (3) Demonstrated that the debt is not valid.

3. As used in this section:
   
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 151. NRS 599B.141 is hereby amended to read as follows:

599B.141  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of registration as a seller must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62, inclusive, of this act.

2. A registration as a seller may not be renewed by the Division if:
   
   (a) The applicant fails to submit the information required by subsection 1; or
   
   (b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
   
   (1) Satisfied the debt;
   
   (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
   
   (3) Demonstrated that the debt is not valid.

3. As used in this section:
   
   (a) “Agency” has the meaning ascribed to it in NRS 353C.020.
   
   (b) “Debt” has the meaning ascribed to it in NRS 353C.040.

(Deleted by amendment.)
Sec. 151.3. NRS 604A.820 is hereby amended to read as follows:

604A.820 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give 20 days' written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:
   (a) Enter a written order either dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.
   (b) Impose upon the licensee an administrative fine of not more than $10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.
   (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including investigative costs and attorney's fees of the Commissioner.

3. The grounds for revocation or suspension of a license are that:
   (a) The licensee has failed to pay the annual license fee;
   (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted pursuant thereto;
   (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;
   (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee's original application for a license pursuant to the provisions of this chapter; or
   (e) The licensee:
      (1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or
      (2) Has failed to remain open for the conduct of the business for a period of 180 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 151.5. NRS 612.265 is hereby amended to read as follows:

612.265 1. Except as otherwise provided in this section and NRS 239.0115 and 612.642, information obtained from any employing unit or person pursuant to the administration of this chapter and any determination as to the benefit rights of any person is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person’s or employing unit’s identity.
2. Any claimant or a legal representative of a claimant is entitled to information from the records of the Division, to the extent necessary for the proper presentation of the claimant’s claim in any proceeding pursuant to this chapter. A claimant or an employing unit is not entitled to information from the records of the Division for any other purpose.

3. Subject to such restrictions as the Administrator may by regulation prescribe, the information obtained by the Division may be made available to:

   (a) Any agency of this or any other state or any federal agency charged with the administration or enforcement of laws relating to unemployment compensation, public assistance, workers’ compensation or labor and industrial relations, or the maintenance of a system of public employment offices;

   (b) Any state or local agency for the enforcement of child support;

   (c) The Internal Revenue Service of the Department of the Treasury;

   (d) The Department of Taxation; and

   (e) The State Contractors’ Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

   Information obtained in connection with the administration of the Division may be made available to persons or agencies for purposes appropriate to the operation of a public employment service or a public assistance program.

4. Upon written request made by a public officer of a local government, the Administrator shall furnish from the records of the Division the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to that local government. The Administrator may charge a reasonable fee for the cost of providing the requested information.

5. The Administrator may publish or otherwise provide information on the names of employers, their addresses, their type or class of business or industry, and the approximate number of employees employed by each such employer, if the information released will assist unemployed persons to obtain employment or will be generally useful in developing and diversifying the economic interests of this State. Upon request by a state agency which is able to demonstrate that its intended use of the information will benefit the residents of this State, the Administrator may, in addition to the information listed in this subsection, disclose the number of employees employed by each employer and the total wages paid by each employer. The Administrator may charge a fee to cover the actual costs of any administrative expenses relating
to the disclosure of this information to a state agency. The Administrator may require the state agency to certify in writing that the agency will take all actions necessary to maintain the confidentiality of the information and prevent its unauthorized disclosure.

6. Upon request therefor, the Administrator shall furnish to any agency of the United States charged with the administration of public works or assistance through public employment, and may furnish to any state agency similarly charged, the name, address, ordinary occupation and employment status of each recipient of benefits and the recipient’s rights to further benefits pursuant to this chapter.

7. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit a written request to the Administrator that the Administrator furnish, from the records of the Division, the name, address and place of employment of any person listed in the records of employment of the Division. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of such a request, the Administrator shall furnish the information requested. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

8. In addition to the provisions of subsection 5, the Administrator shall provide lists containing the names and addresses of employers, and information regarding the wages paid by each employer to the Department of Taxation, upon request, for use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS for returns for the fee imposed pursuant to sections 2 to 62, inclusive, of this act. The Administrator may charge a fee to cover the actual costs of any related administrative expenses.

9. A private carrier that provides industrial insurance in this State shall submit to the Administrator a list containing the name of each person who received benefits pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS during the preceding month and request that the Administrator compare the information so provided with the records of the Division regarding persons claiming benefits pursuant to this chapter for the same period. The information submitted by the private carrier must be in a form determined by the Administrator and must contain the social security number of each such person. Upon receipt of the request, the Administrator shall make such a comparison and, if it appears from the information submitted that a person is simultaneously claiming benefits under this chapter and under chapters 616A to 616D, inclusive, or chapter 617 of NRS, the Administrator shall notify the Attorney General or any other appropriate law enforcement agency. The Administrator shall charge a fee to cover the actual costs of any related administrative expenses.
10. The Administrator may request the Comptroller of the Currency of the United States to cause an examination of the correctness of any return or report of any national banking association rendered pursuant to the provisions of this chapter, and may in connection with the request transmit any such report or return to the Comptroller of the Currency of the United States as provided in section 3305(c) of the Internal Revenue Code of 1954.

11. If any employee or member of the Board of Review, the Administrator or any employee of the Administrator, in violation of the provisions of this section, discloses information obtained from any employing unit or person in the administration of this chapter, or if any person who has obtained a list of applicants for work, or of claimants or recipients of benefits pursuant to this chapter uses or permits the use of the list for any political purpose, he or she is guilty of a gross misdemeanor.

12. All letters, reports or communications of any kind, oral or written, from the employer or employee to each other or to the Division or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of this chapter.

Sec. 151.7. NRS 616B.012 is hereby amended to read as follows:

616B.012 1. Except as otherwise provided in this section and NRS 239.0115, 616B.015, 616B.021 and 616C.205, information obtained from any insurer, employer or employee is confidential and may not be disclosed or be open to public inspection in any manner which would reveal the person’s identity.

2. Any claimant or legal representative of the claimant is entitled to information from the records of the insurer, to the extent necessary for the proper presentation of a claim in any proceeding under chapters 616A to 616D, inclusive, or chapter 617 of NRS.

3. The Division and Administrator are entitled to information from the records of the insurer which is necessary for the performance of their duties. The Administrator may, by regulation, prescribe the manner in which otherwise confidential information may be made available to:

(a) Any agency of this or any other state charged with the administration or enforcement of laws relating to industrial insurance, unemployment compensation, public assistance or labor law and industrial relations;
(b) Any state or local agency for the enforcement of child support;
(c) The Internal Revenue Service of the Department of the Treasury;
(d) The Department of Taxation; and
(e) The State Contractors’ Board in the performance of its duties to enforce the provisions of chapter 624 of NRS.

Information obtained in connection with the administration of a program of industrial insurance may be made available to persons or agencies for purposes appropriate to the operation of a program of industrial insurance.
4. Upon written request made by a public officer of a local government, an insurer shall furnish from its records the name, address and place of employment of any person listed in its records. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by proper authority of the local government certifying that the request is made to allow the proper authority to enforce a law to recover a debt or obligation owed to the local government. Except as otherwise provided in NRS 239.0115, the information obtained by the local government is confidential and may not be used or disclosed for any purpose other than the collection of a debt or obligation owed to the local government. The insurer may charge a reasonable fee for the cost of providing the requested information.

5. To further a current criminal investigation, the chief executive officer of any law enforcement agency of this State may submit to the Administrator a written request for the name, address and place of employment of any person listed in the records of an insurer. The request must set forth the social security number of the person about whom the request is made and contain a statement signed by the chief executive officer certifying that the request is made to further a criminal investigation currently being conducted by the agency. Upon receipt of a request, the Administrator shall instruct the insurer to furnish the information requested. Upon receipt of such an instruction, the insurer shall furnish the information requested. The insurer may charge a reasonable fee to cover any related administrative expenses.

6. Upon request by the Department of Taxation, the Administrator shall provide:
   (a) Lists containing the names and addresses of employers; and
   (b) Other information concerning employers collected and maintained by the Administrator or the Division to carry out the purposes of chapters 616A to 616D, inclusive, or chapter 617 of NRS, to the Department for its use in verifying returns for the taxes imposed pursuant to chapters 363A and 363B of NRS or for the fee imposed pursuant to sections 2 to 62, inclusive, of this act. The Administrator may charge a reasonable fee to cover any related administrative expenses.

7. Any person who, in violation of this section, discloses information obtained from files of claimants or policyholders or obtains a list of claimants or policyholders under chapters 616A to 616D, inclusive, or chapter 617 of NRS and uses or permits the use of the list for any political purposes, is guilty of a gross misdemeanor.

8. All letters, reports or communications of any kind, oral or written, from the insurer, or any of its agents, representatives or employees are privileged and must not be the subject matter or basis for any lawsuit if the letter, report or communication is written, sent, delivered or prepared pursuant to the requirements of chapters 616A to 616D, inclusive, or chapter 617 of NRS.
9. The provisions of this section do not prohibit the Administrator or the Division from disclosing any nonproprietary information relating to an uninsured employer or proof of industrial insurance.

Sec. 152. NRS 616B.679 is hereby amended to read as follows:

616B.679  1. Each application must include:
   (a) The applicant’s name and title of his or her position with the employee leasing company.
   (b) The applicant’s age, place of birth and social security number.
   (c) The applicant’s address.
   (d) The business address of the employee leasing company.
   (e) The business address of the registered agent of the employee leasing company, if the applicant is not the registered agent.
   (f) If the applicant is a:
      (1) Partnership, the name of the partnership and the name, address, age, social security number and title of each partner.
      (2) Corporation, the name of the corporation and the name, address, age, social security number and title of each officer of the corporation.
   (g) Proof of:
      (1) Compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
      (2) The payment of any premiums for industrial insurance required by chapters 616A to 617, inclusive, of NRS.
      (3) The payment of contributions or payments in lieu of contributions required by chapter 612 of NRS.
      (4) Insurance coverage for any benefit plan from an insurer authorized pursuant to title 57 of NRS that is offered by the employee leasing company to its employees.
      (h) A financial statement of the applicant setting forth the financial condition of the employee leasing company. Except as otherwise provided in subsection 5, the financial statement must include, without limitation:
         (1) For an application for issuance of a certificate of registration, the most recent audited financial statement of the applicant, which must have been completed not more than 13 months before the date of application; or
         (2) For an application for renewal of a certificate of registration, an audited financial statement which must have been completed not more than 180 days after the end of the applicant’s fiscal year.
   (i) A registration or renewal fee of $500.
   (j) Any other information the Administrator requires.
   2. Each application must be notarized and signed under penalty of perjury:
      (a) If the applicant is a sole proprietorship, by the sole proprietor.
      (b) If the applicant is a partnership, by each partner.
      (c) If the applicant is a corporation, by each officer of the corporation.
   3. An applicant shall submit to the Administrator any change in the information required by this section within 30 days after the change occurs.
The Administrator may revoke the certificate of registration of an employee leasing company which fails to comply with the provisions of NRS 616B.670 to 616B.697, inclusive.

4. If an insurer cancels an employee leasing company’s policy, the insurer shall immediately notify the Administrator in writing. The notice must comply with the provisions of NRS 687B.310 to 687B.355, inclusive, and must be served personally on or sent by first class mail or electronic transmission to the Administrator.

5. A financial statement submitted with an application pursuant to this section must be prepared in accordance with generally accepted accounting principles, must be audited by an independent certified public accountant licensed to practice in the jurisdiction in which the accountant is located and must be without qualification as to the status of the employee leasing company as a going concern. An employee leasing company that has not had sufficient operating history to have an audited financial statement based upon at least 12 months of operating history must present financial statements reviewed by a certified public accountant covering its entire operating history. The financial statements must be prepared not more than 13 months before the submission of an application and must:

(a) Indicate that the applicant has positive working capital, as defined by generally accepted accounting principles, for the period covered by the financial statements; or

(b) Be accompanied by a bond, irrevocable letter of credit or securities with a minimum market value equaling the maximum deficiency in working capital for the period covered by the financial statement plus $100,000. The bond, irrevocable letter of credit or securities must be held by a depository institution designated by the Administrator to secure payment by the applicant of all taxes, wages, benefits or other entitlements payable by the applicant.

Sec. 153. NRS 618.807 is hereby amended to read as follows:

618.807  1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license in an occupation must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State]. Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.

2. A license in an occupation may not be renewed by the Division if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 352C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt.
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(2) Demonstrated that the debt is not valid.

3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 154. NRS 618.885 is hereby amended to read as follows:
618.885 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of certification as a crane operator pursuant to NRS 618.880 must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62 inclusive of this act.
2. A certification as a crane operator issued pursuant to NRS 618.880 may not be renewed by the Division if:
(a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
(1) Satisfied the debt;
(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
(2) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040. (Deleted by amendment.)

Sec. 155. NRS 618.895 is hereby amended to read as follows:
618.895 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of certification as a trainer, production manager, supervisor or other person designated by an employer to provide annual training and testing programs to employees pursuant to NRS 618.890 must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS] sections 2 to 62 inclusive of this act.
2. Certification as a trainer, production manager, supervisor or other person designated by an employer to provide annual training and testing
programs to employees issued pursuant to NRS 618.890 may not be renewed by the Division if:
(a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
   (1) Satisfied the debt;
   (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
   (3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 156. [NRS 618.927 is hereby amended to read as follows:]
618.927 1. In addition to any other requirements set forth in this chapter, an applicant for the renewal of a license as a photovoltaic installer must indicate in the application submitted to the Division whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the [Secretary of State] Department of Taxation upon compliance with the provisions of [chapter 76 of NRS.] sections 2 to 62, inclusive, of this act.
2. A license as a photovoltaic installer may not be renewed by the Division if:
(a) The applicant fails to submit the information required by subsection 1;
(b) The State Controller has informed the Division pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:
   (1) Satisfied the debt;
   (2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or
   (3) Demonstrated that the debt is not valid.
3. As used in this section:
(a) “Agency” has the meaning ascribed to it in NRS 353C.020.
(b) “Debt” has the meaning ascribed to it in NRS 353C.040.

Sec. 157. [NRS 622.240 is hereby amended to read as follows:]
622.240 1. In addition to any other requirements set forth in this title, an applicant for the renewal of a license shall indicate in the application submitted to the regulatory body whether the applicant has a state business license. If the applicant has a state business license, the applicant must include in the application the state business license number assigned by the
2. A regulatory body may not renew a license if:

(a) The applicant fails to submit the information required by subsection 1;

(b) The State Controller has informed the regulatory body pursuant to subsection 5 of NRS 353C.1965 that the applicant owes a debt to an agency that has been assigned to the State Controller for collection and the applicant has not:

(1) Satisfied the debt;

(2) Entered into an agreement for the payment of the debt pursuant to NRS 353C.130; or

(3) Demonstrated that the debt is not valid.

3. As used in this section:

(a) "Agency" has the meaning ascribed to it in NRS 353C.020.

(b) "Debt" has the meaning ascribed to it in NRS 353C.040.

Sec. 158. NRS 631.3457 is hereby amended to read as follows:

631.3457  1. If the Board determines that a person who provides goods or services for the support of the business of a dental practice, office or clinic has committed any act described in subparagraph (1) or (2) of paragraph (h) of subsection 2 of NRS 631.215, the Board may seek revocation of any state business license held by that person by submitting a request for such revocation to the Secretary of State.

2. Upon receipt of a request for a revocation of a state business license pursuant to subsection 1, the Secretary of State shall revoke that license in accordance with the provisions of this section and in the manner provided in NRS 76.170 section 51 of this act as if the holder of the license had failed to comply with a provision of chapter 76 of NRS sections 2 to 62, inclusive, of this act.

3. The Secretary of State shall not issue a new license to the former holder of a state business license revoked pursuant to this section unless the Secretary of State receives notification from the Board that the Board is satisfied that the person:

(a) Will comply with any regulations of the Board adopted pursuant to the provisions of this chapter; and

(b) Will not commit any act described in subparagraph (1) or (2) of paragraph (b) of subsection 2 of NRS 631.215 or any act prohibited by regulations of the Board adopted pursuant to the provisions of this chapter.

4. As used in this section, "state business license" has the meaning ascribed to it in NRS 76.030 section 9 of this act. (Deleted by amendment.)

Sec. 158.2. NRS 645B.060 is hereby amended to read as follows:

645B.060  1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise
general supervision and control over mortgage brokers and mortgage agents doing business in this State.

2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:
   (a) Adopt regulations:
       (1) Setting forth the requirements for an investor to acquire ownership of or a beneficial interest in a loan secured by a lien on real property. The regulations must include, without limitation, the minimum financial conditions that the investor must comply with before becoming an investor.
       (2) Establishing reasonable limitations and guidelines on loans made by a mortgage broker to a director, officer, mortgage agent or employee of the mortgage broker.
   (b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan brokerage fees.
   (c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.
   (d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage broker doing business in this State. The annual examination must include, without limitation, a formal exit review with the mortgage broker. The Commissioner shall adopt regulations prescribing:
       (1) Standards for determining the rating of each mortgage broker based upon the results of the annual examination; and
       (2) Procedures for resolving any objections made by the mortgage broker to the results of the annual examination. The results of the annual examination may not be opened to public inspection pursuant to NRS 645B.090 until after a period of time set by the Commissioner to determine any objections made by the mortgage broker.
   (e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage brokers and mortgage agents. The Commissioner shall adopt regulations specifying the general guidelines that will be followed when a periodic or special audit of a mortgage broker is conducted pursuant to this chapter.
   (f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:
       (1) The Legislative Auditor; or
       (2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS or sections 2 to 62, inclusive, of this act.
   (g) Conduct such examinations and investigations as are necessary to ensure that mortgage brokers and mortgage agents meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.
3. For each special audit, investigation or examination, a mortgage broker or mortgage agent shall pay a fee based on the rate established pursuant to NRS 645B.280.

4. The Commissioner may conduct examinations of a mortgage broker, as described in paragraph (d) of subsection 2, on a biennial instead of an annual basis if the mortgage broker:
   (a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;
   (b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage broker;
   (c) Has not had any complaints received by the Division that resulted in any administrative action by the Division; and
   (d) Does not maintain any trust accounts pursuant to NRS 645B.170 or 645B.175 or arrange loans funded by private investors.

Sec. 158.4. NRS 645B.670 is hereby amended to read as follows:

645B.670 1. Except as otherwise provided in NRS 645B.690:
   (a) For each violation committed by an applicant for a license issued pursuant to this chapter, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than $25,000 if the applicant:
      (1) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;
      (2) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or
      (3) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.
   (b) For each violation committed by a mortgage broker, the Commissioner may impose upon the mortgage broker an administrative fine of not more than $25,000, may suspend, revoke or place conditions upon the mortgage broker’s license, or may do both, if the mortgage broker, whether or not acting as such:
      (1) Is insolvent;
      (2) Is grossly negligent or incompetent in performing any act for which the mortgage broker is required to be licensed pursuant to the provisions of this chapter;
      (3) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
      (4) Is in such financial condition that the mortgage broker cannot continue in business with safety to his or her customers;
(5) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(6) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage broker knew or, by the exercise of reasonable diligence, should have known;

(7) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage broker possesses and which, if submitted by the mortgage broker, would have rendered the mortgage broker ineligible to be licensed pursuant to the provisions of this chapter;

(8) Has failed to account to persons interested for all money received for a trust account;

(9) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;

(10) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(11) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the mortgage broker is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;

(12) Has failed to satisfy a claim made by a client which has been reduced to judgment;

(13) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(14) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(15) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(16) Has repeatedly violated the policies and procedures of the mortgage broker;

(17) Has failed to exercise reasonable supervision and control over the activities of a mortgage agent as required by NRS 645B.460;

(18) Has instructed a mortgage agent to commit an act that would be cause for the revocation of the license of the mortgage broker, whether or not the mortgage agent commits the act;

(19) Has employed a person as a mortgage agent or authorized a person to be associated with the mortgage broker as a mortgage agent at a time when
the mortgage broker knew or, in light of all the surrounding facts and circumstances, reasonably should have known that the person:

(I) Had been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering; or

(II) Had a license or registration as a mortgage agent, mortgage banker, mortgage broker or residential mortgage loan originator revoked in this State or any other jurisdiction or had a financial services license or registration revoked within the immediately preceding 10 years;

(20) Has violated NRS 645C.557;
(21) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act; or

(22) Has, directly or indirectly, paid any commission, fees, points or any other compensation as remuneration for the services of a mortgage agent to a person other than a mortgage agent who:

(I) Is an employee of or associated with the mortgage broker; or

(II) If the mortgage agent is required to register with the Registry, is an employee of and whose sponsorship has been entered with the Registry by the mortgage broker as required by subsection 2 of NRS 645B.450.

(e) For each violation committed by a mortgage agent, the Commissioner may impose upon the mortgage agent an administrative fine of not more than $25,000, may suspend, revoke or place conditions upon the mortgage agent’s license, or may do both, if the mortgage agent, whether or not acting as such:

(1) Is grossly negligent or incompetent in performing any act for which the mortgage agent is required to be licensed pursuant to the provisions of this chapter;

(2) Has made a material misrepresentation in connection with any transaction governed by this chapter;

(3) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the mortgage agent knew or, by the exercise of reasonable diligence, should have known;

(4) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the mortgage agent possesses and which, if submitted by the mortgage agent, would have rendered the mortgage agent ineligible to be licensed pursuant to the provisions of this chapter;

(5) Has been convicted of, or entered or agreed to enter a plea of guilty or nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time
if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;

(6) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;

(7) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use;

(8) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice;

(9) Has violated NRS 645C.557;

(10) Has repeatedly violated the policies and procedures of the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed;

(11) Has, directly or indirectly, received any commission, fees, points or any other compensation as remuneration for his or her services as a mortgage agent:

(I) From a person other than the mortgage broker with whom the mortgage agent is associated or by whom he or she is employed; or

(II) If the mortgage agent is required to be registered with the Registry, from a person other than the mortgage broker by whom the mortgage agent is employed and on whose behalf sponsorship was entered as required by subsection 2 of NRS 645B.450; or

(12) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner or has assisted or offered to assist another person to commit such a violation.

2. This section does not prohibit the co-brokering of a commercial loan through the cooperation of two or more mortgage brokers so long as such a transaction is not inconsistent with any other provision of this chapter.

Sec. 158.6. NRS 645E.300 is hereby amended to read as follows:

645E.300 1. Subject to the administrative control of the Director of the Department of Business and Industry, the Commissioner shall exercise general supervision and control over mortgage bankers doing business in this State.

2. In addition to the other duties imposed upon him or her by law, the Commissioner shall:

(a) Adopt regulations establishing reasonable limitations and guidelines on loans made by a mortgage banker to a director, officer or employee of the mortgage banker.

(b) Adopt any other regulations that are necessary to carry out the provisions of this chapter, except as to loan fees.

(c) Conduct such investigations as may be necessary to determine whether any person has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner.

(d) Except as otherwise provided in subsection 4, conduct an annual examination of each mortgage banker doing business in this State.
(e) Conduct such other examinations, periodic or special audits, investigations and hearings as may be necessary for the efficient administration of the laws of this State regarding mortgage bankers.

(f) Classify as confidential certain records and information obtained by the Division when those matters are obtained from a governmental agency upon the express condition that they remain confidential. This paragraph does not limit examination by:

(1) The Legislative Auditor; or

(2) The Department of Taxation if necessary to carry out the provisions of chapter 363A of NRS or sections 2 to 62, inclusive, of this act.

(g) Conduct such examinations and investigations as are necessary to ensure that mortgage bankers meet the requirements of this chapter for obtaining a license, both at the time of the application for a license and thereafter on a continuing basis.

3. For each special audit, investigation or examination, a mortgage banker shall pay a fee based on the rate established pursuant to NRS 645F.280.

4. The Commissioner may conduct biennial examinations of a mortgage banker instead of annual examinations, as described in paragraph (d) of subsection 2, if the mortgage banker:

(a) Received a rating in the last annual examination that meets a threshold determined by the Commissioner;

(b) Has not had any adverse change in financial condition since the last annual examination, as shown by financial statements of the mortgage banker; and

(c) Has not had any complaints received by the Division that resulted in any administrative action by the Division.

Sec. 158.8. NRS 645E.670 is hereby amended to read as follows:

645E.670  1. For each violation committed by an applicant, whether or not the applicant is issued a license, the Commissioner may impose upon the applicant an administrative fine of not more than $25,000 if the applicant:

(a) Has knowingly made or caused to be made to the Commissioner any false representation of material fact;

(b) Has suppressed or withheld from the Commissioner any information which the applicant possesses and which, if submitted by the applicant, would have rendered the applicant ineligible to be licensed pursuant to the provisions of this chapter; or

(c) Has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner in completing and filing his or her application for a license or during the course of the investigation of his or her application for a license.

2. For each violation committed by a licensee, the Commissioner may impose upon the licensee an administrative fine of not more than $25,000, may suspend, revoke or place conditions upon the license, or may do both, if the licensee, whether or not acting as such:
(a) Is insolvent;
(b) Is grossly negligent or incompetent in performing any act for which the licensee is required to be licensed pursuant to the provisions of this chapter;
(c) Does not conduct his or her business in accordance with law or has violated any provision of this chapter, a regulation adopted pursuant to this chapter or an order of the Commissioner;
(d) Is in such financial condition that the licensee cannot continue in business with safety to his or her customers;
(e) Has made a material misrepresentation in connection with any transaction governed by this chapter;
(f) Has suppressed or withheld from a client any material facts, data or other information relating to any transaction governed by the provisions of this chapter which the licensee knew or, by the exercise of reasonable diligence, should have known;
(g) Has knowingly made or caused to be made to the Commissioner any false representation of material fact or has suppressed or withheld from the Commissioner any information which the licensee possesses and which, if submitted by the licensee, would have rendered the licensee ineligible to be licensed pursuant to the provisions of this chapter;
(h) Has failed to account to persons interested for all money received for a trust account;
(i) Has refused to permit an examination by the Commissioner of his or her books and affairs or has refused or failed, within a reasonable time, to furnish any information or make any report that may be required by the Commissioner pursuant to the provisions of this chapter or a regulation adopted pursuant to this chapter;
(j) Has been convicted of, or entered or agreed to enter a plea of nolo contendere to, a felony in a domestic, foreign or military court within the 7 years immediately preceding the date of the application, or at any time if such felony involved an act of fraud, dishonesty or a breach of trust, moral turpitude or money laundering;
(k) Has refused or failed to pay, within a reasonable time, any fees, assessments, costs or expenses that the licensee is required to pay pursuant to this chapter or a regulation adopted pursuant to this chapter;
(l) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;
(m) Has failed to satisfy a claim made by a client which has been reduced to judgment;
(n) Has failed to account for or to remit any money of a client within a reasonable time after a request for an accounting or remittal;
(o) Has violated NRS 645C.557;
(p) Has commingled the money or other property of a client with his or her own or has converted the money or property of others to his or her own use; or
(q) Has engaged in any other conduct constituting a deceitful, fraudulent or dishonest business practice.

3. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 159. NRS 647.092 is hereby amended to read as follows:

647.092 A person shall not purchase scrap metal unless that person:
1. Possesses both a valid state business license issued by the State pursuant to [chapter 76 of NRS] sections 2 to 62, inclusive, of this act and a valid business license from the city or county, as applicable, in which the person purchases scrap metal; and
2. Has obtained all required authorizations to operate from, or is otherwise registered with, the solid waste management authority for the area in which the person purchases scrap metal.

Sec. 159.1. NRS 658.151 is hereby amended to read as follows:

658.151 1. The Commissioner may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the depository institution:
(a) Has violated its charter or any laws applicable thereto.
(b) Is conducting its business in an unauthorized or unsafe manner.
(c) Is in an unsafe or unsound condition to transact its business.
(d) Has an impairment of its stockholders’ or members’ equity.
(e) Has refused to pay its depositors in accordance with the terms on which such deposits were received, or has refused to pay its holders of certificates of indebtedness or investment in accordance with the terms upon which those certificates of indebtedness or investment were sold.
(f) Has become or is in imminent danger of becoming otherwise insolvent.
(g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
(h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.
(i) Has made a voluntary assignment of its assets to trustees.
(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act.
2. The Commissioner also may forthwith take possession of the business and property of any depository institution to which this title or title 56 of NRS applies when it appears that the officers of the depository institution have refused to be examined upon oath regarding its affairs.

Sec. 159.15. NRS 665.133 is hereby amended to read as follows:

665.133 1. The records and information described in NRS 665.130 may be disclosed to:
(a) An agency of the Federal Government or of another state which regulates the financial institution which is the subject of the records or information;
(b) The Director of the Department of Business and Industry for the Director's confidential use;
(c) The State Board of Finance for its confidential use, if the report or other information is necessary for the State Board of Finance to perform its duties under this title;
(d) The Department of Taxation for its use in carrying out the provisions of chapter 363A of NRS or sections 2 to 62, inclusive, of this act;
(e) An entity which insures or guarantees deposits;
(f) A public officer authorized to investigate criminal charges in connection with the affairs of the depository institution;
(g) A person preparing a proposal for merging with or acquiring an institution or holding company, but only after notice of the disclosure has been given to the institution or holding company;
(h) Any person to whom the subject of the report has authorized the disclosure;
(i) Any other person if the Commissioner determines, after notice and opportunity for hearing, that disclosure is in the public interest and outweighs any potential harm to the depository institution and its stockholders, members, depositors and creditors; and
(j) Any court in a proceeding initiated by the Commissioner concerning the financial institution.

2. All the reports made available pursuant to this section remain the property of the Division of Financial Institutions, and no person, agency or authority to whom the reports are made available, or any officer, director or employee thereof, may disclose any of the reports or any information contained therein, except in published statistical material that does not disclose the affairs of any natural person or corporation.

Sec. 159.2. NRS 669.275 is hereby amended to read as follows:

669.275 1. The Commissioner may require a licensee to provide an audited financial statement prepared by an independent certified public accountant licensed to do business in this State.

2. On the fourth Monday in January of each year, each licensee shall submit to the Commissioner a list of stockholders required to be maintained pursuant to paragraph (c) of subsection 1 of NRS 78.105 or the list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241, verified by the president or a manager, as appropriate.

3. The list of members required to be maintained pursuant to paragraph (a) of subsection 1 of NRS 86.241 must include the percentage of each member's interest in the company, in addition to the requirements set forth in that section.

4. Except as otherwise provided in NRS 239.0115, any document submitted pursuant to this section is confidential. This subsection does not
limit the examination of any document by the Department of Taxation if necessary to carry out the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.25. NRS 669.2825 is hereby amended to read as follows:

669.2825 1. The Commissioner may institute disciplinary action or forthwith initiate proceedings to take possession of the business and property of any retail trust company when it appears that the retail trust company:
(a) Has violated its charter or any state or federal laws applicable to the business of a trust company.
(b) Is conducting its business in an unauthorized or unsafe manner.
(c) Is in an unsafe or unsound condition to transact its business.
(d) Has an impairment of its stockholders’ equity.
(e) Has refused to pay or transfer account assets to its account holders as required by the terms of the accounts’ governing instruments.
(f) Has become insolvent.
(g) Has neglected or refused to comply with the terms of a lawful order of the Commissioner.
(h) Has refused, upon proper demand, to submit its records, affairs and concerns for inspection and examination of an appointed or authorized examiner of the Commissioner.
(i) Has made a voluntary assignment of its assets to receivers, conservators, trustees or creditors without complying with NRS 669.230.
(j) Has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act.
(k) Has materially and willfully breached its fiduciary duties to its customers.
(l) Has failed to properly disclose all fees, interest and other charges to its customers.
(m) Has willfully engaged in material conflicts of interest regarding a customer’s account.
(n) Has made intentional material misrepresentations regarding any aspect of the services performed or proposed to be performed by the retail trust company.

2. The Commissioner also may forthwith initiate proceedings to take possession of the business and property of any trust company when it appears that the officers of the trust company have refused to be examined upon oath regarding its affairs.

Sec. 159.3. NRS 669.2847 is hereby amended to read as follows:

669.2847 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, the Commissioner shall give at least 20 days’ written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.

2. At the conclusion of a hearing, the Commissioner shall:
(a) Enter a written order dismissing the charges, revoking the license or suspending the license for a period of not more than 60 days, which period
must include any prior temporary suspension. The Commissioner shall send a copy of the order to the licensee by registered or certified mail.

(b) Impose upon the licensee an administrative fine of not more than $10,000 for each violation by the licensee of any provision of this chapter or any regulation adopted pursuant thereto.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney’s fees.

3. The grounds for revocation or suspension of a license are that:
   (a) The licensee has failed to pay the annual license fee;
   (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any regulation adopted pursuant thereto or any lawful order of the Division of Financial Institutions;
   (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;
   (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee’s original application for a license pursuant to the provisions of this chapter; or
   (e) The licensee:
      (1) Failed to open an office for the conduct of the business authorized by his or her license within 180 days after the date the license was issued; or
      (2) Has failed to remain open for the conduct of the business for a period of 30 days without good cause therefor.

4. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 159.35. NRS 669.285 is hereby amended to read as follows:

669.285. Except as otherwise provided in NRS 239.0115, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter and any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division are confidential and may be disclosed only to:

1. The Division, any authorized employee of the Division and any state or federal agency investigating the activities covered under the provisions of this chapter; and

2. The Department of Taxation for its use in carrying out the provisions of sections 2 to 62, inclusive, of this act; and

3. Any person when the Commissioner, in the Commissioner’s discretion, determines that the interests of the public that would be protected by disclosure outweigh the interest of any person in the confidential information not being disclosed.
Sec. 159.4. NRS 669A.310 is hereby amended to read as follows:

669A.310 1. Except as otherwise provided in this section, any application and personal or financial records submitted by a person pursuant to the provisions of this chapter, any personal or financial records or other documents obtained by the Division of Financial Institutions pursuant to an examination or audit conducted by the Division pursuant to this chapter and any other private information relating to a family trust company are confidential and may be disclosed only to:

(a) The Division, any authorized employee of the Division and a state or federal agency investigating activities regulated pursuant to this chapter; and

(b) The Department of Taxation for its use in carrying out the provisions of sections 2 to 62, inclusive, of this act; and

(c) Any other person if the Commissioner, in the Commissioner’s discretion, determines that the interests of the public in disclosing the information outweigh the interests of the person about whom the information pertains in not disclosing the information.

2. The Commissioner shall give to the family trust company to which the information relates 10-days’ prior written notice of intent to disclose confidential information directly or indirectly to a person pursuant to paragraph (c) of subsection 1. Any family trust company which receives such a notice may object to the disclosure of the confidential information and will be afforded the right to a hearing in accordance with the provisions of chapter 233B of NRS. If a family trust company requests a hearing, the Commissioner may not reveal confidential information prior to the conclusion of the hearing and a ruling. Prior to dissemination of any confidential information, the Commissioner shall require a written agreement not to reveal the confidential information by the party receiving the confidential information. In no event shall the Commissioner disclose confidential information to the general public, any competitor or any potential competitor of a family trust company.

3. Nothing in this chapter is intended to preclude a law enforcement officer from gaining access to otherwise confidential records by subpoena, court order, search warrant or other lawful means. Notwithstanding any other provision of this chapter, the Commissioner shall have the ability to share information with other out of state or federal regulators with whom the Department of Business and Industry has an agreement regarding the sharing of information. Nothing in this chapter is intended to preclude any agency of this State from gaining access to otherwise confidential records in accordance with any applicable law.

Sec. 159.45. NRS 673.484 is hereby amended to read as follows:

673.484 The Commissioner may after notice and hearing suspend or revoke the charter of any association for:

1. Repeated failure to abide by the provisions of this chapter or the regulations adopted thereunder.
2. Failure to pay a tax as required pursuant to the provisions of chapter 363A of NRS 675.440 or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.5. NRS 675.440 is hereby amended to read as follows:
675.440 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days’ written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
2. At the conclusion of a hearing, the Commissioner shall:
   (a) Enter a written order either dismissing the charges, revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.
   (b) Impose upon the licensee an administrative fine of not more than $10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted under it.
   (c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney’s fees.
3. The grounds for revocation or suspension of a license are that:
   (a) The licensee has failed to pay the annual license fee;
   (b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter or any lawful regulation adopted under it;
   (c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS 675.440 or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;
   (d) Any fact or condition exists which would have justified the Commissioner in denying the licensee’s original application for a license hereunder; or
   (e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.
4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.
5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 159.6. NRS 677.510 is hereby amended to read as follows:
677.510 1. If the Commissioner has reason to believe that grounds for revocation or suspension of a license exist, he or she shall give 20 days’ written notice to the licensee stating the contemplated action and, in general, the grounds therefor and set a date for a hearing.
2. At the conclusion of a hearing, the Commissioner shall:
(a) Enter a written order either dismissing the charges, or revoking the license, or suspending the license for a period of not more than 60 days, which period must include any prior temporary suspension. A copy of the order must be sent by registered or certified mail to the licensee.

(b) Impose upon the licensee an administrative fine of not more than $10,000 for each violation by the licensee of any provision of this chapter or any lawful regulation adopted pursuant thereto.

(c) If a fine is imposed pursuant to this section, enter such order as is necessary to recover the costs of the proceeding, including his or her investigative costs and attorney’s fees.

3. The grounds for revocation or suspension of a license are that:

(a) The licensee has failed to pay the annual license fee;

(b) The licensee, either knowingly or without any exercise of due care to prevent it, has violated any provision of this chapter, or any lawful regulation adopted pursuant thereto;

(c) The licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;

(d) Any fact or condition exists which would have justified the Commissioner in denying the licensee’s original application for a license hereunder; or

(e) The applicant failed to open an office for the conduct of the business authorized under this chapter within 120 days after the date the license was issued, or has failed to remain open for the conduct of the business for a period of 120 days without good cause therefor.

4. Any revocation or suspension applies only to the license granted to a person for the particular office for which grounds for revocation or suspension exist.

5. An order suspending or revoking a license becomes effective 5 days after being entered unless the order specifies otherwise or a stay is granted.

Sec. 159.65. NRS 680B.020 is hereby amended to read as follows:

680B.020 1. Notwithstanding the provisions of any general or special law and except as otherwise provided in subsection 3, the possession of a license or certificate of authority issued under this Code shall be authorization to transact such business as indicated in such license or certificate of authority, and shall be in lieu of all licenses, whether for regulation or revenue, required to transact insurance business within the State of Nevada; but each city, town or county may require a license for revenue purposes only for any insurance agent, broker, analyst, adjuster or managing general agent whose principal place of business is located within such city or town, or within the county outside the cities and towns of the county, respectively.

2. This section shall not be modified or repealed by any law of general application enacted after January 1, 1972, unless expressly referred to or expressly repealed therein.
3. The provisions of this section do not apply to the fee imposed pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.7. NRS 680B.037 is hereby amended to read as follows:

680B.037 (Payment)

1. Except as otherwise provided in subsection 2, payment by an insurer of the tax imposed by NRS 680B.027 is in lieu of all taxes imposed by the State or any city, town or county upon premiums or upon income of insurers and of franchise, privilege or other taxes measured by income of the insurer.

2. The provisions of subsection 1 do not apply to the fee imposed pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.75. NRS 683A.451 is hereby amended to read as follows:

683A.451 The Commissioner may refuse to issue a license or certificate pursuant to this chapter or may place any person to whom a license or certificate is issued pursuant to this chapter on probation, suspend the person for not more than 12 months, or revoke or refuse to renew his or her license or certificate, or may impose an administrative fine or take any combination of the foregoing actions, for one or more of the following causes:

1. Providing incorrect, misleading, incomplete or partially untrue information in his or her application for a license.

2. Violating a law regulating insurance, or violating a regulation, order or subpoena of the Commissioner or an equivalent officer of another state.

3. Obtaining or attempting to obtain a license through misrepresentation or fraud.

4. Misappropriating, converting or improperly withholding money or property received in the course of the business of insurance.

5. Intentionally misrepresenting the terms of an actual or proposed contract of or application for insurance.


7. Admitting or being found to have committed an unfair trade practice or fraud.

8. Using fraudulent, coercive or dishonest practices, or demonstrated incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere.

9. Denial, suspension or revocation of a license as a producer of insurance, or its equivalent, in any other state, territory or province.

10. Forging another’s name to an application for insurance or any other document relating to the transaction of insurance.

11. Improperly using notes or other reference material to complete an examination for a license related to insurance.

12. Knowingly accepting business related to insurance from an unlicensed person.

13. Failing to comply with an administrative or judicial order imposing an obligation of child support.
14. Failing to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.8. NRS 686C.360 is hereby amended to read as follows:

686C.360 The Association is exempt from payment of all fees and all taxes levied by this state or any of its political subdivisions, except taxes on property and the fee imposed pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.85. NRS 687A.130 is hereby amended to read as follows:

687A.130 The Association is exempt from payment of all fees and all taxes levied by this State or any of its subdivisions, except:

1. [Levied] Taxes levied on real or personal property; or

2. [Imposed] Taxes imposed pursuant to the provisions of chapter 363A or 363B of NRS; and

3. The fee imposed pursuant to the provisions of sections 2 to 62, inclusive, of this act.

Sec. 159.9. NRS 688C.210 is hereby amended to read as follows:

688C.210 After notice, and after a hearing if requested, the Commissioner may suspend, revoke, refuse to issue or refuse to renew a license under this chapter if the Commissioner finds that:

(a) There was material misrepresentation in the application for the license;

(b) The licensee or an officer, partner, member or significant managerial employee has been convicted of fraudulent or dishonest practices, is subject to a final administrative action for disqualification, or is otherwise shown to be untrustworthy or incompetent;

(c) A provider of viatical settlements has engaged in a pattern of unreasonable payments to viators;

(d) The applicant or licensee has been found guilty or guilty but mentally ill of, or pleaded guilty, guilty but mentally ill or nolo contendere to, a felony or a misdemeanor involving fraud, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or any crime involving moral turpitude, whether or not a judgment of conviction has been entered by the court;

(e) A provider of viatical settlements has entered into a viatical settlement in a form not approved pursuant to NRS 688C.220;

(f) A provider of viatical settlements has failed to honor obligations of a viatical settlement or an agreement to purchase a viatical settlement;

(g) The licensee no longer meets a requirement for initial licensure;

(h) A provider of viatical settlements has assigned, transferred or pledged a viaticated policy to a person other than another provider licensed under this chapter, a purchaser of the viatical settlement or a special organization;

(i) The applicant or licensee has provided materially untrue information to an insurer that issued a policy that is the subject of a viatical settlement;
(j) The applicant or licensee has failed to pay a tax as required pursuant to the provisions of chapter 363A of NRS or a fee as required pursuant to the provisions of sections 2 to 62, inclusive, of this act;
(k) The applicant or licensee has violated a provision of this chapter or other applicable provisions; or
(l) The applicant or licensee has acted in bad faith with regard to a viator.

2. A suspension imposed for grounds set forth in paragraph (k) or (l) of subsection 1 must not exceed a period of 12 months.

3. If the Commissioner takes action as described in subsection 1, the applicant or licensee may apply in writing for a hearing before the Commissioner to determine the reasonableness of the action taken by the Commissioner, pursuant to the provisions of NRS 679B.310 to 679B.370, inclusive.

Sec. 159.93. NRS 694C.450 is hereby amended to read as follows:

694C.450 1. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at the rate of:
(a) Two-fifths of 1 percent on the first $20,000,000 of its net direct premiums;
(b) One-fifth of 1 percent on the next $20,000,000 of its net direct premiums; and
(c) Seventy-five thousandths of 1 percent on each additional dollar of its net direct premiums.

2. Except as otherwise provided in this section, a captive insurer shall pay to the Division, not later than March 1 of each year, a tax at a rate of:
(a) Two hundred twenty-five thousandths of 1 percent on the first $20,000,000 of revenue from assumed reinsurance premiums;
(b) One hundred fifty thousandths of 1 percent on the next $20,000,000 of revenue from assumed reinsurance premiums; and
(c) Twenty-five thousandths of 1 percent on each additional dollar of revenue from assumed reinsurance premiums.

The tax on reinsurance premiums pursuant to this subsection must not be levied on premiums for risks or portions of risks which are subject to taxation on a direct basis pursuant to subsection 1. A captive insurer is not required to pay any reinsurance premium tax pursuant to this subsection on revenue related to the receipt of assets by the captive insurer in exchange for the assumption of loss reserves and other liabilities of another insurer that is under common ownership and control with the captive insurer, if the transaction is part of a plan to discontinue the operation of the other insurer and the intent of the parties to the transaction is to renew or maintain such business with the captive insurer.

3. If the sum of the taxes to be paid by a captive insurer calculated pursuant to subsections 1 and 2 is less than $5,000 in any given year, the captive insurer shall pay a tax of $5,000 for that year. The maximum aggregate tax for any year must not exceed $175,000.
aggregate tax to be paid by a sponsored captive insurer applies only to each protected cell and does not apply to the sponsored captive insurer as a whole.

4. Two or more captive insurers under common ownership and control must be taxed as if they were a single captive insurer.

5. Notwithstanding any specific statute to the contrary and except as otherwise provided in this subsection, the tax provided for by this section constitutes all the taxes collectible pursuant to the laws of this State from a captive insurer, and no occupation tax or other taxes may be levied or collected from a captive insurer by this State or by any county, city or municipality within this State, except for taxes imposed pursuant to chapter 363A or 363B of NRS, the fee imposed pursuant to sections 2 to 62, inclusive, of this act and ad valorem taxes on real or personal property located in this State used in the production of income by the captive insurer.

6. Twenty-five percent of the revenues collected from the tax imposed pursuant to this section must be deposited with the State Treasurer for credit to the Account for the Regulation and Supervision of Captive Insurers created pursuant to NRS 694C.460. The remaining 75 percent of the revenues collected must be deposited with the State Treasurer for credit to the State General Fund.

7. A captive insurer that is issued a license pursuant to this chapter after July 1, 2003, is entitled to receive a nonrefundable credit of $5,000 applied against the aggregate taxes owed by the captive insurer for the first year in which the captive insurer incurs any liability for the payment of taxes pursuant to this section. A captive insurer is entitled to a nonrefundable credit pursuant to this section not more than once after the captive insurer is initially licensed pursuant to this chapter.

8. As used in this section, unless the context otherwise requires:
   (a) “Common ownership and control” means:
      (1) In the case of a stock insurer, the direct or indirect ownership of 80 percent or more of the outstanding voting stock of two or more corporations by the same member or members.
      (2) In the case of a mutual insurer, the direct or indirect ownership of 80 percent or more of the surplus and the voting power of two or more corporations by the same member or members.
   (b) “Net direct premiums” means the direct premiums collected or contracted for on policies or contracts of insurance written by a captive insurer during the preceding calendar year, less the amounts paid to policyholders as return premiums, including dividends on unabsorbed premiums or premium deposits returned or credited to policyholders.

Sec. 159.97. NRS 695A.550 is hereby amended to read as follows:

695A.550 Every society organized or licensed under this chapter is hereby declared to be a charitable and benevolent institution, and is exempt from every state, county, district, municipal and school tax other than the fee imposed pursuant to sections 2 to 62, inclusive, of this act and taxes on real property and office equipment.
Sec. 159.99. Section 47 of chapter 381, Statutes of Nevada 2009, as last amended by chapter 518, Statutes of Nevada 2013, at page 3426 is hereby amended to read as follows:

Sec. 47. 1. This section and section 45.5 of this act become effective upon passage and approval.

2. Sections 1 to 44, inclusive, 45, 46 and 46.5 of this act become effective:
   (a) Upon passage and approval for the purposes of adopting regulations and performing any other preparatory actions that are necessary to carry out the provisions of this act; and
   (b) On October 1, 2009, for all other purposes.

[3. Sections 44.3 and 44.7 of this act become effective on July 1, 2015.]

Sec. 160. [Notwithstanding the provisions of this act:

   1. A person who holds a state business license which was issued pursuant to chapter 76 of NRS, before July 1, 2015, and which is not expired or revoked must obtain a state business license pursuant to section 18 of this act on or before September 30, 2015.

   2. A person who holds a state business license which was issued pursuant to chapter 76 of NRS, before July 1, 2015, and which is not expired or revoked is deemed to hold a state business license issued by the Department of Taxation pursuant to section 18 of this act, until September 30, 2015, or the date on which a state business license issued to that person expires or is revoked, whichever occurs earlier. (Deleted by amendment.)

Sec. 161. Notwithstanding the provisions of this act, the Department shall waive payment of a penalty or interest for a person’s failure to timely file a report or pay the state business license supplemental revenue fee imposed pursuant to section 19 of this act, if the failure:

1. Occurred despite the person’s exercise of ordinary care; and
2. Was not intentional or the result of willful neglect.

Sec. 162. [1. Any administrative regulations relating to the state business license required pursuant to chapter 76 of NRS, as they existed before July 1, 2015, which were adopted by the Secretary of State and which conflict or are inconsistent with the provisions of this act, are void, unless those regulations are amended before July 1, 2015, to be consistent with the provisions of this act.

2. Any administrative regulations relating to the state business license required pursuant to chapter 76 of NRS, as they existed before July 1, 2015, which were adopted by the Secretary of State before July 1, 2015, and which are not in conflict or inconsistent with the provisions of this act, remain in

Sec. 163. [Notwithstanding the provisions of this act:

   1. A person who holds a state business license which was issued pursuant to chapter 76 of NRS, before July 1, 2015, and which is not expired or revoked must obtain a state business license pursuant to section 18 of this act on or before September 30, 2015.

   2. A person who holds a state business license which was issued pursuant to chapter 76 of NRS, before July 1, 2015, and which is not expired or revoked is deemed to hold a state business license issued by the Department of Taxation pursuant to section 18 of this act, until September 30, 2015, or the date on which a state business license issued to that person expires or is revoked, whichever occurs earlier. (Deleted by amendment.)

Sec. 164. Notwithstanding the provisions of this act, the Department shall waive payment of a penalty or interest for a person’s failure to timely file a report or pay the state business license supplemental revenue fee imposed pursuant to section 19 of this act, if the failure:

1. Occurred despite the person’s exercise of ordinary care; and
2. Was not intentional or the result of willful neglect.
force until amended by the Department of Taxation.] (Deleted by amendment.)

Sec. 163.  [NRS 76.010, 76.020, 76.030, 76.040, 76.100, 76.105, 76.110, 76.120, 76.130, 76.140, 76.150, 76.160, 76.170 and 76.180 are] Section 1 of chapter 429, Statutes of Nevada 2009, at page 2408 is hereby repealed.

Sec. 164.  1.  [This act becomes] Sections 159.99 and 163 of this act become effective upon passage and approval.

2.  Sections 1 to 159.97, inclusive, 160, 161, 162 and 164 of this act become effective:

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

(b) On July 1, 2015, for all other purposes.

[ 2.  Section 69 of this act expires by limitation on June 30, 2036.]

[LEADLINES] TEXT OF REPEALED [SECTIONS] SECTION OF STATUTES OF NEVADA

[ 76.010  Definitions.
  76.020  “Business” defined.
  76.030  “State business license” defined.
  76.040  “Wages” defined.
  76.100  State business license required; application and fee for license; activities constituting conduct of business.
  76.105  Claim for exemption; exceptions.
  76.110  Penalty for failing to obtain state business license before conducting business.
  76.120  Limitation on number of licenses natural person is required to obtain.
  76.125  Annual renewal of license: Fee, notice, penalty for late payment.
  76.140  Regulations.
  76.150  Deposit of proceeds in State General Fund.
  76.160  Confidentiality of records and files of Secretary of State.
  76.170  Enforcement of provisions: Revocation or suspension of license; denial of new license.
  76.180  Penalty for willfully failing or neglecting to obtain or renew state business license; enforcement; regulations.]

Section 1 of chapter 429, Statutes of Nevada 2009, at page 2408:

Section 1.  Assembly Bill No. 146 of this session is hereby amended by adding thereto new sections to be designated as sections 44.3 and 44.7, immediately following sec. 44, to read as follows:

Sec. 44.3.  Section 11 of this act is hereby amended to read as follows:

Sec. 11.  1.  A person shall not conduct a business in this State unless and until the person obtains a state business license issued by the Secretary of State. If the person is:
(a) An entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license at the time of filing the initial or annual list.

(b) Not an entity required to file an initial or annual list with the Secretary of State pursuant to this title, the person must obtain the state business license before conducting a business in this State.

2. An application for a state business license must:
   (a) Be made upon a form prescribed by the Secretary of State;
   (b) Set forth the name under which the applicant transacts or intends to transact business, or if the applicant is an entity organized pursuant to this title and on file with the Secretary of State, the exact name on file with the Secretary of State, the entity number as assigned by the Secretary of State, if known, and the location in this State of his place or places of business;
   (c) Be accompanied by a fee in the amount of $100; and
   (d) Include any other information that the Secretary of State deems necessary.

   If the applicant is an entity organized pursuant to this title and on file with the Secretary of State and the applicant has no location in this State of its place of business, the address of its registered agent shall be deemed to be the location in this State of its place of business.

3. The application must be signed pursuant to NRS 239.330 by:
   (a) The owner of a business that is owned by a natural person.
   (b) A member or partner of an association or partnership.
   (c) A general partner of a limited partnership.
   (d) A managing partner of a limited-liability partnership.
   (e) A manager or managing member of a limited-liability company.
   (f) An officer of a corporation or some other person specifically authorized by the corporation to sign the application.

4. If the application for a state business license is defective in any respect or the fee required by this section is not paid, the Secretary of State may return the application for correction or payment.

5. The state business license required to be obtained pursuant to this section is in addition to any license to conduct
business that must be obtained from the local jurisdiction in which the business is being conducted.

6. For the purposes of this chapter, a person shall be deemed to conduct a business in this State if a business for which the person is responsible:
   (a) Is organized pursuant to this title, other than a business organized pursuant to chapter 82 or 84 of NRS;
   (b) Has an office or other base of operations in this State;
   (c) Has a registered agent in this State; or
   (d) Pays wages or other remuneration to a natural person who performs in this State any of the duties for which he is paid.

7. As used in this section, “registered agent” has the meaning ascribed to it in NRS 77.230.

Sec. 44.7. Section 14 of this act is hereby amended to read as follows:

Sec. 14. 1. A person who applies for renewal of a state business license shall submit a fee in the amount of $100 to the Secretary of State:
   (a) If the person is an entity required to file an annual list with the Secretary of State pursuant to this title, at the time the person submits the annual list to the Secretary of State, unless the person submits a certificate or other form evidencing the dissolution of the entity; or
   (b) If the person is not an entity required to file an annual list with the Secretary of State pursuant to this title, on the last day of the month in which the anniversary date of issuance of the state business license occurs in each year, unless the person submits a written statement to the Secretary of State, at least 10 days before that date, indicating that the person will not be conducting a business in this State after that date.

2. The Secretary of State shall, 90 days before the last day for filing an application for renewal of the state business license of a person who holds a state business license, provide to the person a notice of the state business license fee due pursuant to this section and a reminder to file the application for renewal required pursuant to this section. Failure of any person to receive a notice does not excuse the person from the penalty imposed by law.

3. If a person fails to submit the annual state business license fee required pursuant to this section in a timely manner and the person is:
   (a) An entity required to file an annual list with the Secretary of State pursuant to this title, the person:
(1) Shall pay a penalty of $100 in addition to the annual state business license fee;

(2) Shall be deemed to have not complied with the requirement to file an annual list with the Secretary of State; and

(3) Is subject to all applicable provisions relating to the failure to file an annual list, including, without limitation, the provisions governing default and revocation of its charter or right to transact business in this State, except that the person is required to pay the penalty set forth in subparagraph (1).

(b) Not an entity required to file an annual list with the Secretary of State, the person shall pay a penalty in the amount of $100 in addition to the annual state business license fee. The Secretary of State shall provide to the person a written notice that:

(1) Must include a statement indicating the amount of the fees and penalties required pursuant to this section and the costs remaining unpaid.

(2) May be provided electronically, if the person has requested to receive communications by electronic transmission, by electronic mail or other electronic communication.

Senator Spearman moved the adoption of the amendment.
Remarks by Senator Spearman, Ford and Hardy.

SENATOR SPEARMAN:
Thank you, Mr. President. I am offering this amendment today to incorporate some important provisions of SB 378 into SB 252. I believe these provisions will help protect small and growing businesses while creating a more simple and fair revenue structure for Nevada.

Simplicity is one of the keys to good tax policy. A simple tax is easy for businesses to pay and easy for the state to administer. A simple tax is much more predictable cost for businesses to take into consideration.

Just yesterday, the Guinn Center released a comprehensive report that gives our first, and only, thorough side-by-side analysis of all of the tax proposals that have come up this Legislative Session. The Guinn Center is an independent policy research think tank. They weren’t asked to do this analysis. They weren’t asked by any interested party. Thus, this is about the best, unbiased analysis that we’re likely to get on this issue.

Let me outline some of the issues that the Guinn Center identified in SB 252 that I think are fundamental and need to be answered. According to the Guinn Center’s research, the rates proposed in SB 252 do not correlate with the general profitability of the industry or with each industry’s contribution to Nevada’s gross domestic product. The rates in SB 252 are apparently based on industry profitability in Texas. However, they apparently do not take into account the fact that labor costs vary significantly between Texas and Nevada. The inconsistencies in rates have never been publicly explained and much of the underlying data used to calculate the BLF rates has never been released. The Guinn Center interviewed tax officials in Kentucky, Washington, and Ohio and found that having a single rate or limited rates improved the ease of administration and compliance. As SB 252 currently stands, there are no exemptions to protect small and growing businesses.
In lieu of the original bill, Amendment No. 366 will do the following: impose a quarterly supplemental revenue fee on each business in this State whose taxable gross receipts exceed $25,000 in a calendar quarter; require the filing of a return with the Department of Taxation within 45 days after each calendar quarter of a fiscal year; impose a fee of $50 plus 0.17 percent of the taxable gross receipts that exceed $25,000; eliminate the sunset on the current $200 State business license fee — thereby making it permanent; impose a $400 annual State business license fee on businesses that do not perform a service or engage in trade for profit in Nevada; and add related definitions of terms to the bill.

By adopting this amendment, we make sure that SB 252 has all the advantages that come with having a simple, single-rate business tax. It is easy to administer, easy to pay, and give it the elasticity to grow with our businesses and grow with Nevada. This amendment would create a tax structure that could both capture revenue in our current economy and more easily adapt to whatever Nevada’s economy looks like in the future. At the same time, we will finally put in place a revenue structure that is diversified more fairly in order to ensure that capital-intensive businesses are paying their fair share.

I don’t want to drive businesses away from Nevada by making our tax structure too complex. I also don’t want to come back here next session and have this conversation again when lobbyists descend on the Legislative building angling to have their individual tax rates changed.

I hope my colleagues will join me in voting for tax policy that is simple, fair, and provides the revenue needed to fund education and other essential services for the residents of Nevada. This is not about any particular person and you can change the alpha numeric numbers on all of the plans that have been introduced this Legislative Session. It is really about Nevadans. We are at the crossroads of history and I believe we have an obligation, yes even a responsibility, to do the right thing, not the political thing, but to create good policy. Let me conclude with these quotes referencing leadership and courage:

“Life shrinks or expands in proportion to one's courage.” Anais Nin

“If we don't plant the right things, we will reap the wrong things.”

Maya Angelou

“A good leader takes a little more than their share of blame and a little less than their share of credit.” Arnold Glasow

I again urge your support of this amendment so we strengthen S.B. 252 and so it is in full compliance with the expectation of all Nevadans.

SENATOR FORD:

I rise in support of my colleague’s amendment to S.B. 252. First, let me commend her. For 2 years, my colleague from Senate District 1 has been working toward coming up with an idea—a fair, simple and sustainable tax plan. What you saw was a combination of her interest and her willingness to do so, and the bravery and courage she put forth, in addition to that of my colleagues from District 2 and District 7 who joined on Senate Bill No. 389. That bill no longer exists.

Realizing no tax plan is going to be perfect, we recognize S.B. 252 has been a great inducement and a beginning to a conversation. I do agree with my colleague that it is very important we address the concerns that have been raised by small businesses and by others that deal with the complexities of this bill, and the rates within it protecting small businesses. I think this amendment attempts to do that and it helps to further movement in that regard. I urge everyone here to give strong and due consideration to what my colleague from District No. 1 has put forth before us. It is well thought out and well understood and, according to the foremost analyst in the State, it is a valuable alternative to those plans that are out there. I strongly encourage you to consider adopting it.

SENATOR HARDY:

This is a tax bill and a tax amendment. Knowing it is a tax amendment, one of the complaints on the failed initiative was the issue of lack of link to education. The reason we are having this debate on the amendment and the bill is education. When I look at this, I ask myself, how do we commit ourselves to say this is about education? This is not about taxes, we are having a debate about an amendment dealing with education. That is why I was dismayed when I saw the amendment took away the preamble that included the whereas’ that we have about education.
This is about education. We do not want to lose sight of that. That is why we need to have a legislative link to education.

Amendment failed.

Senator Spearman moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 10:36 a.m.

SENATE IN SESSION

At 10:38 a.m.
President Hutchison presiding.
Quorum present.

Remarks by Senators Roberson, Woodhouse, Gustavson, Segerblom, Hardy, Hammond, Smith and Brower.

SENATOR ROBERSON:

This an historic day. Today we are voting to make an historic, targeted investment in the modernization and reform of our K-12 education system. In other words, and investment in our present and in our future. I want to thank Governor Sandoval for his leadership and vision. His leadership got us here today, and this is his vision of a new Nevada. I am grateful to be in a position to support his leadership today. Change is never easy, and it has been easy for the naysayers to criticize. Fine, let them. Today we are poised to help Nevada grow up as a state and to do the very tough things the people of Nevada expect of us. we were all elected to address problems and define solutions. That is the case irrespective of your party designation.

This is more than an historic investment in education, it is about real tax reform that broadens our tax structure and makes it much more fair and equitable. As Oliver Wendell Holmes said, “Taxes are the price we pay for a civilized society.” I believe those taxes should be fairly allocated and not unfairly borne by one group versus another. I would ask each of you: Why are we here if not to provide the children of our State with the opportunity to succeed, and in the process, allow Nevada to succeed? Today’s vote is not about the next election, but rather, the next generation. The voters may not agree with every decision or every vote we take, but I assure you, they are looking for people with the courage to stand for something more than just ourselves or our next election. They are looking for leadership; today, let’s show them we can deliver.

SENATOR WOODHOUSE:

I rise today in support of Senate Bill No. 252, but before I talk about why I’m ultimately going to vote for this bill, I want to thank my colleague from District 1 for offering her amendment. Her concerns about S.B. 252 are well-reasoned and they are shared by many thoughtful people both inside and outside of this building. I hope if this bill passes today and moves through the Assembly, those concerns will be addressed in a satisfactory manner.

I also want to thank the Senators from Districts 7 and 2 for joining my colleague from District 1 to present S.B. 378 earlier in the session. This body was never afforded a chance to vote on that bill. I’m proud to have colleagues with the courage to be willing to challenge conventional wisdom and force us to think differently about our options. Those three Senators have proven they are dedicated public servants who care deeply about our educational system. There has been a lot of talk about the courage it takes to support a revenue plan. I want to thank my colleagues for their incredible courage to provide an alternative plan.

After 40 years as a professional educator, I think I can safely say that a good education is about giving students fundamental building blocks that allow them to grow. Teachers know each new concept requires students to build on what they have learned before; each new step is
dependent on the steps that came before it. I view today’s vote in similar terms. You cannot create
a stable, high-quality educational system without creating a sustainable source of revenue
to build it on. Voting to send S.B. 252 to the Assembly is another small step on the path toward
that bigger goal.

I doubt this is the last time we will be debating a tax package in this chamber this Session.
Whatever bill can ultimately muster the support of two-thirds of the members of both houses, we
should not lose sight of the programs we’re trying to fund. We have heard a lot of excellent
education bills this Session. We’ve considered bills expanding STEM education, creating ethnic
studies programs, putting more resources into Zoom schools, expanding full day kindergarten
and fighting to make schools a safer place to learn with new anti-bullying programs.

We have seen what can happen when we invest in these programs and the results show it is
worth it. Today’s vote is an effort to lay down the first building block that will ensure our
student get the funding and resources necessary to succeed. Thank You, I urge your yes vote.

SENATOR GUSTAVSON:

I rise in opposition to Senate Bill No. 252 for many reasons. I am not against raising taxes for
many reasons, we do need money for education, I agree with that. I do not agree that these are
the programs we need to go to and I am not supporting the programs either. This bill is very
similar to the margins tax we voted down last November. It puts a big tax on businesses which
many of them cannot afford. It will also discourage businesses from moving to Nevada and
many people with businesses here now have told me they are going to leave the State if this bill
passes. Whether they do or no, only time will tell, but I have been told this time and time again
and was told the same thing with the margins tax.

The cost will be unaffordable to many businesses. Small businesses cannot afford a business
tax and will have much higher accounting fees. Those that do not currently have CPAs will need
them under this legislation. If you think your federal income tax filing forms are difficult, wait
until you get the Nevada forms. It might not appear troublesome today, but wait a couple of
years. This is just a foot in the door. Once this tax passes, it will continue to grow and grow and
grow. It will hurt our business economy tremendously.

Courage has been mentioned quite a bit this morning in relation to this bill. It also takes
courage to take up a stand and say no. My constituents know where I stand on the issues. It takes
a lot of courage for me to stand up here and say: No, I am not going to support the Governor’s
bill on taxes. I have to do that, I have to do what I think is correct and that is why I am making
this statement.

I would also like to point out that many of the programs in this budget require additional
staffing, hundreds or perhaps even thousands of people if all of these programs are implemented.
Right now we are over 600 teachers short in Clark County, we cannot find staff for these
schools. There are substitutes in those classrooms today. Washoe County has the same problem,
over 100 teaching positions are vacant. Where are we going to find more people to staff all-day
kindergarten or pre-k? These might be sound-good or feel-good ideas, and some of them do
work, but where will we find the staff for them? It is not there folks. Let’s not pass a bill that has
hundreds of millions of dollars in programs that we cannot manage.

SENATOR SEGERBLOM:

I rise in support of this bill. I would like to commend the Governor for having the courage to
come forward with this proposal; I think it is fantastic. I would also like to remind him that he
invited us up here last September to give away a billion dollars, so in some ways, he is making
amends for that give-way. The reality is, I have been here 10 years and we have never had a vote
on taxes. That is not because of the Democratic side, it is because of the Republican side. After
10 years of doing the same thing over and over again, and expecting different results, you are
finally realizing if this State is going to move forward, we have to bite the bullet and raise
taxes—and that is what this is, a tax increase—to make this a modern state. We are living next to
40 million people in California, the highest-taxed state in the country. If low taxes were the
solution to a good economy, those people would be flocking over our borders. The reason they
are not flocking here is because we have a second-rate educational system that we have been
unwilling to fund. Today, I hope we are taking the first step to pay down and make that school
system work so we can attract those businesses and get Silicon Valley over here and make
Nevada proud to be a 21st century state and not one stuck in the 19th century. I urge you to vote for S.B. 252.

SENATOR HARDY:
I rise in opposition; my quadriceps and my hamstrings work in opposition. This floor is designed so it can be in opposition even amongst itself. There is nothing we do in the medical world that does not have opposing forces, and it is critical for us to have those opposing forces so we can come to the middle and come to some sort of consensus on what needs to be done. I attended the State of the State address and the Governor said many things. I thought to myself: He believes in education! After he continued, I thought: No, he believes in taxing for education. He believes that the rising tides lifts all boats and that we need education. That is what this is about. Taxation is one thing, but this is about education and how we are going to pay for it.

How many of us have been in the position in the past where we voted for a budget then thought: Oh no, now we have to fund this! In 2003, that is what we did. It came down to a vote for education and we funded the budget because we believed in the budget. The Governor presented all of the things he thought would improve: be accountable, have flexibility, have a plan; he presented that. I was impressed. I voted for it in 2003 and I am going to vote for it in 2015. I am going to vote for the plan we have before us and I am going to vote for the plan that comes back to us that gets people to vote on both sides of this building, signed by the Governor. That is what I am going to vote for.

SENATOR HAMMOND:
Years ago, I was asked to speak at a graduation ceremony and the students always asked me, how do you make tough decisions, how do you arrive at that? I would say, you have to know yourself. The moment you know yourself, you can make a lot of your decisions because before you are asked you’ve already made them. During that speech I gave the students a list of who I am. I said I am a son of a Heavenly Father; a husband to a loving and adoring wife; the father of four children; a girls basketball coach and an educator. Today, the decision I make is based on being an educator. It may come as a shock to some when I tell you how I am going to vote, but as an educator, when I heard the State of the State address I was encouraged. I know education is a big priority in the State and it has been in my life. I have taught, I have been on charter school boards, I’ve been an advocate for education, reading and other programs associated with bringing up the next generation. While I support the Governor’s motivation, and support many of the programs we have vetted in the Education Committee—I have been in discussions where we have talked about the good and bad parts; what can we do to help; the Zoom schools as an avenue for making change; Victory schools which I support—I want to fund these and other programs. I want to fund the Read by Three program and others so they are successful. However, today, we have before us a plan that does not have the mechanism to get us there; it is not the mechanism to get us there. I am very concerned with it. In November, the people of my Senate District overwhelming voted against a gross margins tax. This bill is a little different than what we voted on in November. It is a little better than what we had then but I am still concerned about a bill that taxes companies based on their top line revenues.

Some other concerns I have with this bill concern the actual revenues that will be raised for the State. The review that was done by the Guinn Center said it believes S.B. 252 “…contains elements of good tax policy… We have concerns with the rates as proposed. First the roughly two dozen rates increase the transaction cost related to implementation and compliance. Interviews with tax policy analysis in other states revealed the challenges of a system of many rates. Second, as discussed on the following pages, the proposed rates do not correlate to Nevada’s economy, the national profitability of the industry and State and local labor costs… The Legislature should be cautious in the amount of revenue it assumes will be received from business license fees because Nevada does not currently collect data on gross receipts and there is not an external source of accurate, detailed information… When Texas implemented the Texas Franchise Tax, the original revenue estimate was $5.9 billion, however the actual revenue was $4.5 billion which amounted to a 24 percent difference in estimated versus realized revenues.”

I do not want to get into funding and then, a year later find out we do not have enough resources and have to come back here in special session. I keep hearing from my colleagues this
is not the bill we are going to have in the end and I realize that. There are going to be changes and compromises, but I do not want to vote on something like this and have it get through, then not have enough revenue so a year from now we are voting on another tax package. I want to wait. I want to wait for the economic forum to meet. I want to find out what our projected revenue is. I want to wait until we find out some other compromises to the bill.

I do, and I want to emphasize this, I do want to raise the revenue necessary to fund the programs we think are going to bring Nevada out of the bottom of the list. I have put my whole life into it. I see my educators, my colleagues scrambling, and there is a lot of pressure on them right now to perform and get things right. I want to make sure the funding is there for them. Having said that, I am going to wait for the right vehicle to come along before the end of the session, but I want to be there. I appreciate your indulgence but I will not be supporting this bill.

SENATOR SMITH:
I intend to support S.B. 252. One of the things that motivated me to heal quickly and get back here was knowing we had this important issue coming before us that could lead this State and not leave us where we have been. Everyone here knows I have been supporting education and education funding for a decade. It is time we act and do something about it. I need to remind everyone this is not just about education. That may be our primary focus, but we have other needs this budget will fund as well such as mental health. We have been in a mental health crisis for a couple of years and we need to fix it. We have infrastructure problems; our State infrastructure is crumbling. We need to do something about all of this. To my colleagues who say this is too complicated, you should have voted for the amendment. We tried to fix that for you but you could not support that either. I gladly support S.B. 252.

SENATOR BROWER:
I happened to watch the movie Saving Private Ryan again last night; what they did was hard, this is not hard. Nothing we do in this building is hard, not so hard as to cause all the hand wringing and sleepless nights and the indecision and worry. This is not hard. I could not agree more with my very distinguished colleague from District 13, my colleague from Washoe County when she says it’s time. It is not just about education funding, it’s about funding everything else we all agree the State has to fund: public safety; our judicial system; roads; bridges; mental health, you name it. It’s time.

I appreciate the comments from our colleague from District 3. It’s time, now is the time. I also appreciate our colleague from District 1 working on this effort. The amendment did not make sense to me, it did not make sense to most of us as it turns out, but it was not because we do not respect the effort and time she has put into this. Those of us who serve on the Revenue and Economic Development Committee have seen that day in and day out. I also want to recognize our colleague from District 7 who, despite not being an official member of the committee where the hard work on this bill took place, accepted the Majority Leader’s invitation to show up and showed up every day to every hearing. I know we are all busy and many of us had conflicts, but he showed up every day and helped us vet the policy and the proposal.

This proposal has been vetted. It may not be perfect, time will tell and we will see what the ultimate result is. It’s time. It’s time to step up and do what we all know is right and finally take a step toward funding education adequately in our State. It is time to vote yes on this bill, move this process forward and get this right once and for all.

Roll call on Senate Bill No. 252:
YEAS—17.

Senate Bill No. 252 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.
Senator Roberson moved that the Senate recess subject to the call of the Chair. 
Motion carried.

Senate in recess at 11:03 p.m.

SENATE IN SESSION

At 12:42 p.m. President Hutchison presiding. 
Quorum present.

Senate Bill No. 5.
Bill read third time.
Remarks by Senator Settelmeyer.

Senate Bill No. 5 provides that a candidate for nonpartisan office who receives a majority of the votes cast in a primary election must be declared the winner and his or her name not be placed on the general election ballot. The measure clarifies this requirement for certain city elections and adds this provision to the Charter of Carson City. The bill is effective on October 1, 2015.

This “50 percent plus 1” rule appears in a number of city charters, including the city charters of Boulder City, Henderson, Las Vegas, and North Las Vegas. Senate Bill No. 5 seeks to expand this provision to statewide and county primary elections as well as Carson City. It was brought to me on behalf of the local County Sheriff. There are numerous County Sheriffs who actually won their primary by way of 50 percent, but then had to through an entire general election and it took them off the ability to do their normal job.

Roll call on Senate Bill No. 5:
YEAS—21.
NAYS—None.

Senate Bill No. 5 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 33.
Bill read third time.
Remarks by Senators Hardy and Kieckhefer.

SENATOR HARDY:
Senate Bill No. 33 authorizes the board of hospital trustees of a county hospital to hold a closed meeting to discuss: providing a new service at the hospital or materially expanding an existing service; or acquiring an additional facility for the hospital or materially expanding an existing facility.

The records of such a meeting become public five years after the date of the meeting or when the board determines that confidentiality is no longer required, whichever occurs first. This measure is effective on July 1, 2015.

SENATOR KIECKHEFER:
I rise in opposition to Senate Bill No. 33. While I appreciate Clark County working to make this bill more palatable and seriously toning it down, I think the first reprint is still ultimately trying to solve a problem by cutting off public access to the strategic planning behind spending millions and millions of taxpayer dollars, something I do not think is going to create a better environment for public oversight of public dollars. I will be voting no on this bill.
Roll call on Senate Bill No. 33:
YEAS—15.

Senate Bill No. 33 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 38.
Bill read third time.
Remarks by Senator Brower.

Senate Bill No. 38 requires persons who manufacture, sell, or distribute gaming associated equipment to be registered with the Nevada Gaming Commission and requires the Commission to develop appropriate regulations for such registration. The Commission is also directed to adopt regulations governing the registration of certain club-venue employees and related matters. Additionally, the bill broadens the range of charitable and professional organizations that are authorized to conduct charitable lotteries in the State and allows for the conduct of multi-county charitable events subject to regulatory approval. Finally, S.B. 38 revises several definitions related to manufacturers of gaming associated equipment and repeals obsolete language concerning the granting of certain gaming licenses. This bill is effective upon passage and approval for the purpose of adopting regulations and performing other preparatory administrative tasks, and on July 1, 2015, for all other purposes.

Roll call on Senate Bill No. 38:
YEAS—21.
NAYS—None.

Senate Bill No. 38 having received a two-thirds majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 39.
Bill read third time.
Remarks by Senator Brower.

Senate Bill No. 39 requires that a State business license contain a business identification number assigned by the Secretary of State and that the Secretary of State assign an identification number, in certain instances. In addition, the measure requires certain persons who are exempt from obtaining a State business license to obtain a certificate of exemption from the Secretary of State each year; provides that the penalty for conducting business without obtaining a license be assessed for each year in which the business was conducted without a license; and applies the penalty for not renewing a license until the person cancels his or her business license. If the person has not conducted business during the period in question, the Secretary of State shall waive any fees or penalties that have accrued. The bill expands a resident agent’s responsibility to receive and forward any process, notice, or demand and to maintain certain documents for a represented entity. It also provides that process may be served on a business by serving the business’s resident agent and that the service is valid, regardless of whether the business is in default or revoked status or if there are any debts or disputes between the business and the resident agent.

Senate Bill 39 also allows the Secretary of State to halt the accrual of fees for a domestic or foreign business whose charter or certificate has been revoked. Similarly, the bill expands provisions concerning the renewal of a charter or certificate to additional domestic and foreign entities. Finally, the bill exempts from the annual State business license fee certain nonprofit unit-owners’ associations. This bill is effective on October 1, 2015.
Senate Bill No. 39 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 58.
Bill read third time.
Remarks by Senator Brower.
Senate Bill No. 58 provides that a juvenile justice or care agency may share information concerning a child within the jurisdiction of the juvenile court. Such an agency may do so, however, only when the other agency is investigating a matter or is involved in a case or proceeding involving the child or has been assigned the responsibility for supervising the child. The bill also provides that juvenile justice information is confidential and may only be released in accordance with State or federal law and requires that public safety be taken into consideration prior to the release of any information. An agency’s denial of an information request must be provided to the requester within five business days.

The release of any record held by a law enforcement agency, prosecuting attorney, or attorney for a child must be made pursuant to statute and any other pertinent rule of law, except that upon the decision to arrest or upon the actual arrest of a child, a law enforcement agency or prosecuting attorney may share pertinent information with the child’s school. An incident report, however, must not be released if doing so would jeopardize the investigation, prosecution, or defense of the child or endanger witnesses. The sharing of an incident report must be limited to the extent necessary to protect other students and staff at the child’s school. A juvenile court may use personal identifying information from sealed records in order to conduct an outcome and recidivism study, but must provide any results from the study without including any personal identifying information. Finally, it is a gross misdemeanor for a person who receives juvenile justice information to further disseminate the information or make it public. This bill is effective on July 1, 2015.

Roll call on Senate Bill No. 58:
YEAS—21.
NAYS—None.

Senate Bill No. 58 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 62.
Bill read third time.
Remarks by Senator Brower.
Senate Bill No. 62 authorizes the State Personnel Commission to adopt regulations concerning a number of different employee-related matters, including the restoration of employee positions; reemployment; employee disability; employee suspension and demotion; and an employee’s use of medical marijuana.

Senate Bill 62 requires regulations adopted by the State Personnel Commission to provide that an employee who was a promotional appointee, but who failed to attain permanent status, must be restored to a vacant position in the same class that he or she held prior to the promotion, provided the employee does not displace any employee with greater seniority. If no such position is available, the employee must either be appointed to a vacant position in a comparable class or any lower class. After that, if no such position exists, the employee must be placed on any appropriate reemployment lists.
If an employee can no longer perform his or her job functions due to a disability, the agency can consider separation or disability retirement, provided the employee cannot be appointed to another position at or below his or her grade level. Senate Bill 62 clarifies that such an appointment would need to be moved into a vacant position for which he or she is qualified and that such an appointment must not cause “undue hardship” to the agency. The measure also eliminates the requirement that a dismissed or involuntarily demoted or suspended classified employee receive notice of such dismissal, demotion, or suspension in person or by mail. Instead, S.B. 62 requires the State Personnel Commission to adopt regulations setting forth the procedures for properly notifying a classified employee of his or her dismissal, involuntary demotion, or suspension.

The remainder of S.B. 62 addresses matters relating to the State’s substance abuse and on-the-job alcohol consumption policies as they relate to employees who hold a valid registry identification card for medical marijuana. The bill authorizes the Personnel Commission to adopt regulations concerning employees who engage in the medical use of marijuana. Finally, the bill provides that the Commission may adopt regulations relating to applicants for public safety positions who test positive for marijuana and who hold a valid registry identification card for medical marijuana.

Provisions relating to employee reemployment and appointment, as well as provisions allowing a State agency to request a drug and alcohol screening test due to a work-related accident or injury, are effective upon passage and approval for the purpose of adopting regulations and performing any preparatory administrative tasks, and on January 1, 2016, for all other purposes. The remainder of the bill is effective on July 1, 2015.

Roll call on Senate Bill No. 62:
YEAS—21.
NAYS—None.

Senate Bill No. 62 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 65.
Bill read third time.
Remarks by Senators Goicoechea and Atkinson.

SENATOR GOICOECHEA:
Senate Bill No. 65 revises provisions governing the use of water and related duties of the Division of Water Resources of the State Department of Conservation and Natural Resources. These provisions address: the adjudication of vested water rights; preparation of an annual budget of the estimated expenses of administering and regulating each stream system and water district; applications, permits, and certificates for the appropriation of public waters; underground water and wells; and the planning and development of water resources.

Finally, the bill provides for the imposition of administrative fines against persons who violate certain provisions relating to the planning and development of water resources, and amends provisions relating to certain fees collected by the State Engineer. This measure is effective on July 1, 2015.

SENATOR ATKINSON:
I think the Chairman did yeoman’s work on this bill. I am still not confident we are where we should be, but I respect your comments about sending across the hall. I am going to have to vote no on this bill and I urge my colleagues to do the same because I feel this bill needs more work. There is litigation going on with the folks in Pahrump, and it has always been my policy, and the encouragement of my folks, that we stay out of things of this nature. I do want to commend you again, Mr. Chairman on all of your hard work. I know you spent a lot of time trying to get people to consensus but, to me, it did not get far enough.
Roll call on Senate Bill No. 65:
  YEAS—13.

Senate Bill No. 65 having failed to receive a two-thirds majority, Mr. President declared it lost.

Senate Bill No. 70.
Bill read third time.
Remarks by Senator Goicoechea.
Senate Bill No. 70 provides that for the purpose of complying with certain requirements relevant to the Open Meeting Law, a working day is every day of the week except Saturday, Sunday, and legal holidays prescribed in existing law, even if an agency has a 4-day workweek. The bill compiles a list of certain meetings, hearings, or other proceedings not subject to the general provisions of the Open Meeting Law. A public body must certify in writing, including certain prescribed information, its compliance with the requirements for minimum public notice for each of its meetings. Specific legal authority is required for a public body to designate a person to attend a meeting of the public body in the place of another member. The minutes of a public meeting must be approved not later than 45 days after the meeting or at the next meeting of the public body, whichever occurs later. The name of a person who may be the subject of any type of administrative action by a public body, including administrative actions that are not adverse to a person, such as, for example, appointment of the person to a position, must be included on its agenda.

Senate Bill No. 70 authorizes the filing of a complaint alleging a violation of the Open Meeting Law with the Office of the Attorney General. Such a complaint is a public record but makes any other information obtained by the Attorney General during an investigation of a violation of the Open Meeting Law confidential until the investigation is closed, unless the information is obtainable from another source. This bill is effective upon passage and approval.

Roll call vote on Senate Bill No. 70.
  YEAS—21.
  NAYS—None.

Senate Bill No. 70 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 110.
Bill read third time.
Remarks by Senator Goicoechea.
Senate Bill No. 110 provides that a person who owns or occupies private property on which a recreational vehicle is abandoned has a lien on the recreational vehicle. The measure establishes a procedure by which a person may obtain title to a recreational vehicle abandoned on private property after attempting to notify the owner. In addition, the bill specifies the requirement for such a notification. This bill also requires a municipal solid waste landfill to accept a recreational vehicle for disposal under certain circumstances. This measure is effective on July 1, 2015.

Roll call on Senate Bill No. 110:
  YEAS—21.
  NAYS—None.

Senate Bill No. 110 having received a two-thirds majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 114.
Bill read third time.
Remarks by Senator Hardy.
Senate Bill No. 114 requires the State Board of Pharmacy to allow a law enforcement officer to have Internet access to the prescription drug monitoring program database if the employer of the officer approves and submits certification to the Board that the officer meets certain requirements. The officer is limited to accessing the database to investigate a crime related to prescription drugs. The employer is required to monitor the use of the database by the officer and establish appropriate disciplinary action for any misuse by an officer. The measure requires the Board, the Investigation Division of the Department of Public Safety, or a law enforcement agency to notify any person whose information has been intentionally accessed by an improper person or for an improper purpose.

In addition, the State Board of Pharmacy and the Investigation Division are required to:
1. Report to the occupational licensing board of a practitioner who prescribes a controlled substance to a patient any activity that may indicate that the patient is using the controlled substance inappropriately; and
2. Provide access to the prescription drug monitoring program database to the occupational licensing boards of practitioners for the purpose of investigating such inappropriate use, if the occupational licensing board determines that an investigation is warranted.

The bill specifies that practitioners authorized to write prescriptions and dispense controlled substances and the State Board of Pharmacy or the Investigation Division and their employees are immune from civil and criminal liability only if they make a good faith effort to comply with applicable laws. This bill is effective on October 1, 2015.

Roll call on Senate Bill No. 114:
YEAS—21.
NAYS—None.

Senate Bill No. 114 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 146.
Bill read third time.
Remarks by Senator Parks.
Senate Bill No. 146 authorizes an employer of a residential facility for a group of similarly situated persons to enter into a written agreement with an employee who is required to be on duty for 24 hours or more to exclude from his or her wages a sleeping period not to exceed 8 hours if adequate sleeping facilities are provided. If the sleeping period is interrupted by any call for service by the employer: The interruption must be counted as hours worked; or to such an extent that the sleeping period is less than five hours, the employee must be paid for the entire sleeping period. This bill is effective on July 1, 2015.

Roll call on Senate Bill No. 146:
YEAS—21.
NAYS—None.

Senate Bill No. 146 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.
Senate Bill No. 157.
Bill read third time.
Remarks by Senator Hardy.
Senate Bill No.157 enacts the State and Local Government Cooperation Act, which encourages communication, cooperation, and coordinated working relationships between State agencies and local governments. This measure is effective on October 1, 2015.

Roll call on Senate Bill No. 157:
YEAS—21.
NAYS—None.

Senate Bill No. 157 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 245.
Bill read third time.
Remarks by Senator Manendo.
Senate Bill No. 245 increases from 15 years to 20 years the maximum term of imprisonment for a person who leaves the scene of a crash that results in bodily injury to or the death of a person. A person charged with a hit-and-run is not eligible for probation and may be charged with multiple counts if more than one person involved in the crash is injured or dies.

I would like to thank the chair of the Senate Committee on Transportation and the members for their support. Rarely a week goes by, and sometimes only days, without some horrific crash involving a person who chooses to flee a scene after causing this level of carnage. This unconscionable criminal behavior is not uncommon and it is not limited to just Clark County, it occurs all over the State. Media accounts have told us we have seen it in Henderson, Fernley, Carson City, Reno, Sparks, Boulder City and Pahrump. The Committee on Transportation urges your support.

Roll call on Senate Bill No. 245:
YEAS—21.
NAYS—None.

Senate Bill No. 245 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No 254
Bill read third time.
(Remarks will be entered in the Journal at a later date.)
The following amendment was proposed by Senator Farley:
Amendment No. 633.
SUMMARY—Revises provisions relating to public works; construction. (BDR 28-791)
AN ACT relating to public works; construction; amending the amount of retainage authorized on public works and certain other works; amending the retention amount and certain conditions relating to that amount on private
works of improvement; extending existing provisions related to retainage; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:
Existing law requires a public body undertaking a public work to withhold as a retainage at least 5 percent from progress payments made to a contractor during the first half of the project. After completion of half of the project, the amount of the retainage becomes optional and any remaining progress payments or withheld retainage may be paid. (NRS 338.515) Section 2 of this bill requires the amount of the retainage to be 5 percent.

Existing law provides that in private construction projects, not more than 10 percent of progress payments may be withheld from such payments by an owner to a contractor and from a contractor to a subcontractor, and that such funds must be paid upon satisfaction of certain criteria including the issuance of a certificate of occupancy by a building inspector. (NRS 624.609, 624.620, 624.624) Sections 3 and 5 of this bill reduce the amount of retainage allowed on private construction projects from 10 percent to 5 percent after completion of 50 percent of the project, except for horizontal construction projects, such as highways and bridges, which are subject to the 10 percent retainage limit throughout the duration of the project. Section 2.7 of this bill provides that an owner or higher-tiered contractor may increase the reduced retainage back to not more than 10 percent under certain circumstances.

Section 4 of this bill requires that retained funds be paid upon the issuance of a temporary certificate of occupancy. Finally, section 6 of this bill repeals the expiration of certain provisions of existing law pertaining to retainage in public works which are set to expire on July 1, 2015. (NRS 338.515, 338.530, 338.555, 338.560, 338.595)

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

Section 1. (Deleted by amendment.)
Sec. 2. NRS 338.515 is hereby amended to read as follows:

338.515 1. Except as otherwise provided in NRS 338.525, a public body and its officers or agents awarding a contract for a public work shall pay or cause to be paid to a contractor the progress payments due under the contract within 30 days after the date the public body receives the progress bill or within a shorter period if the provisions of the contract so provide. Ninety five percent of the amount of any progress payment must be paid and 5 percent withheld as retainage until 50 percent of the work required by the contract has been performed.

2. After 50 percent of the work required by the contract has been performed, the public body may pay to the contractor:
   (a) Any of the remaining progress payments without withholding additional retainage; and
(b) Any amount of any retainage that was withheld from progress payments pursuant to subsection 1, if, in the opinion of the public body, satisfactory progress is being made in the work.

3. After determining in accordance with subsection 2 whether satisfactory progress is being made in the work, the public body may pay to the contractor an amount of any retainage that was withheld from progress payments pursuant to subsection 1 if:
   (a) A subcontractor has performed a portion of the work;
   (b) The contractor has determined that satisfactory progress is being made in the work under the subcontract with the subcontractor pursuant to NRS 338.555;
   (c) The public body determines that the portion of the work has been completed in compliance with all applicable plans and specifications;
   (d) The subcontractor submits to the contractor:
      (1) A release of the subcontractor’s claim for a mechanic’s lien for the portion of the work; and
      (2) From each of the subcontractor’s subcontractors and suppliers who performed work or provided material for the portion of the work, a release of his or her claim for a mechanic’s lien for the portion of the work; and
   (e) The amount of the retainage which the public body pays is in proportion to the portion of the work which the subcontractor has performed.

4. If, after determining in accordance with subsection 2 whether satisfactory progress is being made in the work, the public body continues to withhold retainage from remaining progress payments:
   (a) If the public body does not withhold any amount pursuant to NRS 338.525:
      (1) The public body may not withhold more than 2.5 percent of the amount of any progress payment; and
      (2) Before withholding any amount pursuant to subparagraph (1), the public body must pay to the contractor 50 percent of the amount of any retainage that was withheld from progress payments pursuant to subsection 1; or
   (b) If the public body withholds any amount pursuant to NRS 338.525:
      (1) The public body may not withhold more than 5 percent of the amount of any progress payment; and
      (2) The public body may continue to retain the amount of any retainage that was withheld from progress payments pursuant to subsection 1.

5. Except as otherwise provided in NRS 338.525, a public body shall identify in the contract and pay or cause to be paid to a contractor the actual cost of the supplies, materials and equipment that:
   (a) Are identified in the contract;
   (b) Have been delivered and stored at a location, and in the time and
manner, specified in a contract by the contractor or a subcontractor or supplier for use in a public work; and
(c) Are in short supply or were specially made for the public work, within 30 days after the public body receives a progress bill from the contractor for those supplies, materials or equipment.

6. A public body shall pay or cause to be paid to the contractor at the end of each quarter interest for the quarter on any amount withheld by the public body pursuant to NRS 338.400 to 338.645, inclusive, at a rate equal to the rate quoted by at least three insured banks, credit unions or savings and loan associations in this State as the highest rate paid on a certificate of deposit whose duration is approximately 90 days on the first day of the quarter. If the amount due to a contractor pursuant to this subsection for any quarter is less than $500, the public body may hold the interest until:
   (a) The end of a subsequent quarter after which the amount of interest due is $500 or more;
   (b) The end of the fourth consecutive quarter for which no interest has been paid to the contractor; or
   (c) The amount withheld under the contract is due pursuant to NRS 338.520, whichever occurs first.

7. If the Labor Commissioner has reason to believe that a worker is owed wages by a contractor or subcontractor, the Labor Commissioner may require the public body to withhold from any payment due the contractor under this section and pay the Labor Commissioner instead, an amount equal to the amount the Labor Commissioner believes the contractor owes to the worker. This amount must be paid by the Labor Commissioner to the worker if the matter is resolved in the worker’s favor, otherwise it must be returned to the public body for payment to the contractor.

Sec. 2.3. Chapter 624 of NRS is hereby amended by adding thereto the provisions set forth as sections 2.5 and 2.7 of this act.

Sec. 2.5. 1. “Horizontal construction” means the construction of any fixed work, including, without limitation, any irrigation, drainage, water supply, flood control, harbor, railroad, highway, tunnel, airport or airway, sewer, sewage disposal plant or water treatment facility and any ancillary vertical components thereof, bridge, inland waterway, pipeline for the transmission of petroleum or any other liquid or gaseous substance, pier, and work incidental thereto. The term does not include vertical construction, the construction of any terminal or other building of an airport or airway, or the construction of any other building.

2. As used in this section, “vertical construction” means the construction or remodeling of any building, structure or other improvement that is predominantly vertical, including, without limitation, a building, structure or improvement for the support, shelter and enclosure of persons, animals.
chattels or movable property of any kind, and any improvement appurtenant thereto.

Sec. 2.7. 1. If, at the time 50 percent of the work required by the contract has been performed, a prime contractor has, through any act or omission, materially deviated from any contractually defined condition or obligation or has performed work that is in violation of any building code, law or regulation, an owner may increase the retention amount withheld pursuant to subparagraph (2) of paragraph (a) of subsection 2 of NRS 624.609 to not more than 10 percent.

2. If, at the time 50 percent of the work required by the contract has been performed, a lower-tiered subcontractor has, through any act or omission, materially deviated from any contractually defined condition or obligation or has performed work that is in violation of any building code, law or regulation, a higher-tiered contractor may increase the retention amount withheld pursuant to subsection 2 of NRS 624.624 to not more than 10 percent.

3. If, pursuant to subsection 1 or 2, an owner or higher-tiered contractor intends to increase the retention amount withheld, he or she must, at the time 50 percent of the work required by the contract has been performed, provide a written notice to the prime contractor or lower-tiered subcontractor responsible for the deficiency. The written notice must include:

(a) The new percentage of retainage to be withheld and, in accordance with subsection 4, the date on which the new amount of retention will become effective;

(b) A reasonably detailed explanation of the condition or the reason for the increase, including, without limitation, a specific reference to the provision or section of the agreement, and any documents relating thereto, or the applicable building code, law or regulation with which the prime contractor or lower-tiered subcontractor has failed to comply; and

(c) A statement that the prime contractor or lower-tiered subcontractor may avoid the increase in the retention amount by correcting the condition before the date specified in paragraph (a).

4. If a prime contractor or lower-tiered subcontractor who receives a notice pursuant to subsection 3 does not correct the condition giving rise to the notice, to the reasonable satisfaction of the owner or higher-tiered contractor issuing the notice, within 15 days after receiving the notice, the owner or higher-tiered contractor issuing the notice may increase the retention amount withheld pursuant to subsection 1 or 2 for the remainder of the contract.

5. An owner or higher-tiered contractor shall only increase the retention amount pursuant to this section in good faith and based upon a bona fide and material deficiency.

6. A prime contractor who believes that an owner has increased the
retention amount in violation of subsection 5 may bring a civil action against
the owner. If the court finds that the owner increased the retention amount in
violation of subsection 5, the court shall order the owner to return the
wrongfully withheld amount and to pay interest on the amount withheld to
the prime contractor at the rate determined pursuant to NRS 624.630. The
court shall also award attorney’s fees and costs to the party who prevails.

7. A lower-tiered subcontractor who believes that a higher-tiered
contractor has increased the retention amount in violation of subsection 5
may file a complaint with the Board. If the Board finds, after notice and a
hearing, that a higher-tiered contractor increased the retention amount in
violation of subsection 5, the Board shall order the higher-tiered contractor
to return the wrongfully withheld amount and to pay interest on the amount
withheld to the lower-tiered subcontractor at the rate determined pursuant to
NRS 624.630. The decision of the Board is a final decision for purposes of
judicial review. Upon a petition for judicial review, the court shall also
award attorney’s fees and costs to the party who prevails.

Sec. 2.9. NRS 624.606 is hereby amended to read as follows:
624.606  As used in NRS 624.606 to 624.630, inclusive, and sections 2.5
and 2.7 of this act, the words and terms defined in NRS 624.607 to 624.6086,
inclusive, and section 2.5 of this act have the meanings ascribed to them in
those sections.

Sec. 3. NRS 624.609 is hereby amended to read as follows:
624.609  1. Except as otherwise provided in subsections 2 and 4 and
subsection 4 of NRS 624.622, if an owner of real property enters into a
written or oral agreement with a prime contractor for the performance of
work or the provision of materials or equipment by the prime contractor, the
owner must:
   (a) Pay the prime contractor on or before the date a payment is due
pursuant to a schedule for payments established in a written agreement; or
   (b) If no such schedule is established or if the agreement is oral, pay the
prime contractor within 21 days after the date the prime contractor submits a
request for payment.

2. If an owner has complied with subsection 3, the owner may:
   (a) Withhold from any payment to be made to the prime contractor:
       (1) A retention amount that, if the owner is authorized to withhold a
retention amount pursuant to the agreement, must not exceed \( \frac{10}{100} \) percent
of the amount of the payment to be made, until 50 percent of the work
required by the contract has been performed;
       (2) Except as otherwise provided in subsection 5 and section 2.7 of this
act, after 50 percent of the work required by the contract has been
performed, a retention amount not to exceed 5 percent of the amount of the
payment to be made;
       (3) An amount equal to the sum of the value of:
           (I) Any work or labor that has not been performed or materials or
equipment that has not been furnished for which payment is being sought,
unless the agreement otherwise allows or requires such a payment to be made; and

(II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1) or (2); and

(4) The amount the owner has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner is or may reasonably be liable for the prime contractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS; and

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to subparagraph (3) or (4) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must give, on or before the date the payment is due, a written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the prime contractor;

(b) Give a reasonably detailed explanation of the condition or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and

(c) Be signed by an authorized agent of the owner.

4. A prime contractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the owner a written notice and thereby dispute in good faith and for reasonable cause the amount withheld, or the condition or reason for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the owner shall:
(1) Pay the amount withheld by the owner for that condition or reason for the withholding on or before the date the next payment is due the prime contractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the prime contractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor’s next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.

5. The retention amount an owner may withhold pursuant to subparagraph (2) of paragraph (a) of subsection 2 must not exceed 10 percent for any horizontal construction project for the entire duration of the project.

6. Except as otherwise allowed in subsections 2, 3 and 4, an owner shall not withhold from a payment to be made to a prime contractor more than the retention amount.

Sec. 4. NRS 624.620 is hereby amended to read as follows:

624.620 1. Except as otherwise provided in this section, any money remaining unpaid for the construction of a work of improvement is payable to the prime contractor within 30 days after:

(a) Occupancy or use of the work of improvement by the owner or by a person acting with the authority of the owner; or

(b) The availability of a work of improvement for its intended use. The prime contractor must have provided to the owner:

(1) A written notice of availability on or before the day on which the prime contractor claims that the work of improvement became available for use or occupancy; or

(2) A certificate of occupancy or temporary certificate of occupancy issued by the appropriate building inspector or other authority.

2. If the owner has complied with subsection 3, the owner may:

(a) Withhold payment for the amount of:

(1) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is sought;

(2) The costs and expenses reasonably necessary to correct or repair any work that is not materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the amount of retention being withheld pursuant to the terms of the agreement; and

(3) Money the owner has paid or is required to pay pursuant to an official notice from a state agency, or employee benefit trust fund, for which
the owner is liable for the prime contractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS.

(b) Require, as a condition precedent to the payment of any unpaid amount under the agreement, that lien releases be furnished by the prime contractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to paragraph (a) of subsection 2, an owner intends to withhold any amount from a payment to be made to a prime contractor, the owner must, on or before the date the payment is due, give written notice to the prime contractor of any amount that will be withheld. The written notice of withholding must:

(a) Identify the amount that will be withheld from the prime contractor;
(b) Give a reasonably detailed explanation of the condition for which or the reason the owner will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the prime contractor, and any documents relating thereto, and the applicable building code, law or regulation with which the prime contractor has failed to comply; and
(c) Be signed by an authorized agent of the owner.

4. A prime contractor who receives a notice of withholding pursuant to subsection 3 may correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the owner of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the prime contractor. If an owner receives a written notice from the prime contractor of the correction of a condition or reason for the withholding described in an owner’s notice of withholding pursuant to subsection 3, the owner must, within 10 days after receipt of such notice:

(a) Pay the amount withheld by the owner for that condition or reason for the withholding; or

(b) Object to the scope and manner of the correction of the condition or reason for the withholding in a written statement that sets forth the reason for the objection and complies with subsection 3. If the owner objects to the scope and manner of the correction of a condition or reason for the withholding, the owner shall nevertheless pay to the prime contractor, along with the payment to be made pursuant to the prime contractor’s next payment request, the amount withheld for the correction of the condition or reason for the withholding to which the owner no longer objects.
5. The partial occupancy or availability of a building requires payment in direct proportion to the value of the part of the building which is partially occupied or partially available. For works of improvement which involve more than one building, each building must be considered separately in determining the amount of money which is payable to the prime contractor.

Sec. 5. NRS 624.624 is hereby amended to read as follows:

624.624 1. Except as otherwise provided in this section, if a higher-tiered contractor enters into:

(a) A written agreement with a lower-tiered subcontractor that includes a schedule for payments, the higher-tiered contractor shall pay the lower-tiered subcontractor:

   (1) On or before the date payment is due; or
   (2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, materials or equipment described in a request for payment submitted by the lower-tiered subcontractor, whichever is earlier.

(b) A written agreement with a lower-tiered subcontractor that does not contain a schedule for payments, or an agreement that is oral, the higher-tiered contractor shall pay the lower-tiered subcontractor:

   (1) Within 30 days after the date the lower-tiered subcontractor submits a request for payment; or
   (2) Within 10 days after the date the higher-tiered contractor receives payment for all or a portion of the work, labor, materials, equipment or services described in a request for payment submitted by the lower-tiered subcontractor, whichever is earlier.

2. If a higher-tiered contractor has complied with subsection 3, the higher-tiered contractor may:

(a) Withhold from any payment owed to the lower-tiered subcontractor:

   (1) A retention amount that the higher-tiered contractor is authorized to withhold pursuant to the agreement, but the retention amount withheld must not exceed 10% percent of the payment that is required pursuant to subsection 1 until 50 percent of the work required by the contract has been performed;

   (2) Except as otherwise provided in subsection 5 and section 2.7 of this act, after 50 percent of the work required by the contract has been performed, a retention amount not to exceed 5 percent of the payment that is required pursuant to subsection 1;

   (3) An amount equal to the sum of the value of:

      (I) Any work or labor that has not been performed or materials or equipment that has not been furnished for which payment is being sought, unless the agreement otherwise allows or requires such a payment to be made; and

      (II) Costs and expenses reasonably necessary to correct or repair any work which is the subject of the request for payment and which is not
materially in compliance with the agreement to the extent that such costs and expenses exceed 50 percent of the retention amount withheld pursuant to subparagraph (1) or (2); and

(4) The amount the owner or higher-tiered contractor has paid or is required to pay pursuant to an official notice from a state agency or employee benefit trust fund, for which the owner or higher-tiered contractor is or may reasonably be liable for the lower-tiered subcontractor or his or her lower-tiered subcontractors in accordance with chapter 608, 612, 616A to 616D, inclusive, or 617 of NRS; and

(b) Require as a condition precedent to the payment of any amount due, lien releases furnished by the lower-tiered subcontractor and his or her lower-tiered subcontractors and suppliers in accordance with the provisions of paragraphs (a) and (c) of subsection 5 of NRS 108.2457.

3. If, pursuant to subparagraph (2) or (3) of paragraph (a) of subsection 2 or paragraph (b) of subsection 2, a higher-tiered contractor intends to withhold any amount from a payment to be made to a lower-tiered subcontractor, the higher-tiered contractor must give, on or before the date the payment is due, a written notice to the lower-tiered subcontractor of any amount that will be withheld and give a copy of such notice to all reputed higher-tiered contractors and the owner. The written notice of withholding must:

(a) Identify the amount of the request for payment that will be withheld from the lower-tiered subcontractor;

(b) Give a reasonably detailed explanation of the condition or the reason the higher-tiered contractor will withhold that amount, including, without limitation, a specific reference to the provision or section of the agreement with the lower-tiered subcontractor, and any documents relating thereto, and the applicable building code, law or regulation with which the lower-tiered subcontractor has failed to comply; and

(c) Be signed by an authorized agent of the higher-tiered contractor.

4. A lower-tiered subcontractor who receives a notice of withholding pursuant to subsection 3 or a notice of objection pursuant to subparagraph (2) of paragraph (b) may:

(a) Give the higher-tiered contractor a written notice and thereby dispute in good faith and for reasonable cause the amount withheld or the conditions or reasons for the withholding; or

(b) Correct any condition or reason for the withholding described in the notice of withholding and thereafter provide written notice to the higher-tiered contractor of the correction of the condition or reason for the withholding. The notice of correction must be sufficient to identify the scope and manner of the correction of the condition or reason for the withholding and be signed by an authorized representative of the lower-tiered subcontractor. If a higher-tiered contractor receives a written notice from the
lower-tiered subcontractor of the correction of a condition or reason for the withholding pursuant to this paragraph, the higher-tiered contractor shall:

(1) Pay the amount withheld by the higher-tiered contractor for that condition or reason for the withholding on or before the date the next payment is due the lower-tiered subcontractor; or

(2) Object to the scope and manner of the correction of the condition or reason for the withholding, on or before the date the next payment is due to the lower-tiered subcontractor, in a written statement which sets forth the condition or reason for the objection and which complies with subsection 3. If the higher-tiered contractor objects to the scope and manner of the correction of a condition or reason for the withholding, the higher-tiered contractor shall nevertheless pay to the lower-tiered subcontractor, along with payment to be made pursuant to the lower-tiered subcontractor’s next payment request, the amount withheld for the correction of the conditions or reasons for the withholding to which the higher-tiered contractor no longer objects.

5. The retention amount an owner may withhold pursuant to subparagraph (2) of paragraph (a) of subsection 2 must not exceed 10 percent for any horizontal construction project for the entire duration of the project.

6. Except as otherwise allowed in subsections 2, 3 and 4, a higher-tiered contractor shall not withhold from a payment to be made to a lower-tiered subcontractor more than the retention amount.

Sec. 6. Section 6 of chapter 289, Statutes of Nevada 2011, at page 1624, is hereby amended to read as follows:

Sec. 6. This act becomes effective on October 1, 2011. [... and expires by limitation on July 1, 2015.]

Sec. 7. The amendatory provisions of this act do not apply to the provisions of any contract entered into before January 1, 2016.

Sec. 8. 1. This section and section 6 of this act become effective upon passage and approval.

2. Sections 1 to 5, inclusive, and 7 of this act become effective on January 1, 2016.

Senator Farley moved the adoption of the amendment.

(Remarks will be entered in the Journal at a later date.)

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 262.

Bill read third time.

Remarks by Senator Harris.

Senate Bill No. 262 allows a nonresident of Nevada to be appointed as a guardian for an adult or minor ward and requires a court to give preference in appointing a guardian for an adult ward in order of a list of persons provided in the bill. This bill also authorizes a court to appoint two or more co-guardians and directs a court, with certain exceptions, to give preference for a
guardianship to a person named in a will, trust, or other document executed as part of an estate plan. The bill provides that a ward who cannot afford to pay for a private guardian is eligible to have a public guardian appointed. The bill also shortens, from once every year to once every six months, the requirement that a guardian provide a report on the finances and well-being of a ward. Additionally, S.B. 262 provides for the appointment of a public guardian for an incompetent adult who failed to nominate a guardian while he or she was still competent or if the nominated person is not suited or is not willing to serve as a guardian. This bill is effective on July 1, 2015.

Roll call on Senate Bill No. 262:
YEA—21.
NAYS—None.

Senate Bill No. 262 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 288.
Bill read third time.
Remarks by Senator Denis.
Senate Bill No. 288 requires any person who is authorized to prescribe or dispense controlled substances to receive training in the prescription drug monitoring program developed by the State Board of Pharmacy and to be given access to the database of the computer program. Further, the measure requires each person who is authorized to prescribe controlled substances to access the database at least once every six months, review the information concerning the person accessing the database, and verify to the Board that the person continues to have access. Finally, various professional licensing boards are authorized to take disciplinary action against a person who is authorized to prescribe controlled substances and fails to comply with these requirements. This measure is effective upon passage and approval for the purpose of performing preparatory administrative tasks, and on January 1, 2016, for all other purposes.

Roll call on Senate Bill No. 288:
YEA—21.
NAYS—None.

Senate Bill No. 288 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 306.
Bill read third time.
Remarks by Senator Hammond.
Senate Bill No. 306 allows collection costs to be included within the scope of a unit-owners’ association’s super-priority lien, but limits allowable collection costs. The bill also clarifies that if a subordinate lienholder makes a payment to an association, the payment becomes a debt owed by the unit owner to the lienholder. A notice of default and election to sell must include an itemized statement of the amounts due that must be mailed to each holder of a recorded security interest. An association is required to record an affidavit containing the name and address of each security holder to whom the notice of default was mailed, and notices must be sent by certified or registered mail to each holder of a recorded security interest.

If a bank receives notice from the Foreclosure Mediation Program that a unit is subject to the Program, the bank must notify the association, and no foreclosure sale may occur unless the owner has not paid assessments that became due during the mediation period. Borrowers
entering mediation must be provided notice that they are required to pay any association assessments due during the course of the mediation or be subject to foreclosure.

A lender must provide to the Real Estate Division the name, address, and any other pertinent contact information for the entity to which a borrower or borrower’s representative must send, by registered mail, any notification deemed necessary to facilitate the mediation process. Further, the Division must make the information publicly available on its Internet website, including a prominent display of the location of lender contact information on the Division’s home page.

Regarding a notice of sale, the bill requires notice of the time and place of sale, posting in a public place typically used for such notices, and publication of the notice in a newspaper. Sales in larger counties are to be conducted at the place designated for foreclosure sales of units subject to deeds of trust. In smaller counties, a sale must be held at a courthouse. All such sales must be commercially reasonable and be held during normal business hours. In the event that a sale is postponed and rescheduled, the notification process must be repeated.

A unit owner or security holder may redeem a unit by paying certain amounts set forth in the bill. If required amounts are paid within 60 days after a sale, the unit owner or security holder gains ownership. However, after the 60-day redemption period ends, the purchaser at the foreclosure sale has clear title. If the first security holder pays the amount of a super-priority lien within five days prior to the sale, a foreclosure will not extinguish the first security interest.

This bill is effective on October 1, 2015.

Roll call on Senate Bill No. 306:
YEAS—21.
NAYS—None.

Senate Bill No. 306 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 314.
Bill read third time.
Remarks by Senators Kieckhefer, Roberson and Hardy.

SENATOR KIECKHEFER:
Senate Bill 314 (S.B. 314), as amended, revises existing law pertaining to the administration and oversight of health districts in a county whose population is 700,000 or more. Specifically, Section 1 of S.B. 314 creates the requirement that the district board of health in a county of 700,000 or more appoint a district health officer. The district health officer, with approval of the district board of health, shall establish the job description, qualifications and compensation of the chief medical officer position and oversee the recruitment, selection and appointment of a chief medical officer. However, while the chief medical officer works under the direction of the district health officer, the chief medical officer serves at the pleasure of the district board of health.

Pursuant to Section 2 of S.B. 314, as amended, the district health officer is to direct the work of the health district, administer the health district and perform any other duties as specified by the Board. The district board of health is required to oversee the recruitment and selection of the district health officer after establishing a job description, qualifications and compensation for the district health officer position. Pursuant to Section 4 of S.B. 314, the district administrative officer is to be appointed on or before July 1, 2015.

Section 3 of S.B. 314 revises the existing membership of a district board of health in a county whose population is 700,000 or more by reducing the number of members by three (3) and requiring one of the retained members to be a physician licensed to practice medicine in Nevada. Section 3 also establishes an eight (8) member, public health advisory board to advise the district board of health on matters relating to public health. The membership of the advisory board shall be comprised of an appointed representative from each city within such a county and the three
(3) representatives who previously were part of the district board of health membership to serve as non-voting members of the district board of health. Section 3 also prohibits any member of the district board of health from designating another person to vote, participate in a discussion or otherwise serve on his or her behalf.

Section 4 of S.B. 314 provides for the conversion of the currently serving members of a district board of health whose positions would become part of a public health advisory board pursuant to Section 3.

Finally, Section 5 of S.B. 314 stipulates that the provisions of NRS 354.599 do not apply to any additional expenses a local government may incur in carrying out S.B. 314.

Sections 4 and 5 of S.B. 314 are effective upon passage and approval while Sections 1, 2 and 3 become effective on July 1, 2015.

SENATOR ROBERSON:
I would like to thank Assemblyman Thompson for doing a great amount of work on this issue in the interim. This was a top priority of the Southern Nevada Forum, Assemblywoman Kirkpatrick and many others both Democrats and Republicans. I encourage your support of this bill.

SENATOR HARDY:
I rise in respectful, true opposition to this bill. I served on the health district back in the day, and recognize the benefit of having on the board people who were non-elected who understood all of the things that happened in health related areas. This could be bees or landfills or other items. There are many things related to health the elected members may not have the expertise on that it would be wise to continue to have on this board of health in southern Nevada.

The chief medical officer has, heretofore, been appointed on the basis of being a physician who has training in medicine and administration and has degrees that prove such. I think we have been blessed to have a health district board that has kept our southern Nevada area very healthy and without crises of health that have hurt our tourism industry.

Roll call on Senate Bill No. 314.
YEAS—19.
NAYS—Hammond, Hardy—2.

Senate Bill No. 314 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 330.
Bill read third time.
The following amendment was proposed by Senator Lliparelli:
Amendment No. 635.

AN ACT relating to education; authorizing a pupil or school to appeal a final decision or order of the Executive Director of the Nevada Interscholastic Activities Association to a hearing officer appointed by the Executive Director of the Association; establishing certain procedural requirements for the disposition of the appeal; requiring that certain rules and regulations adopted by the Association must apply equally to public schools and private schools that are members of the Association; authorizing a pupil who enrolls in a private school or public school to be immediately eligible to participate
and practice in a sanctioned sport under certain circumstances; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law establishes the Nevada Interscholastic Activities Association for the purpose of controlling, supervising and regulating interscholastic athletic events in public schools and further authorizes the Association to adopt rules and regulations for that purpose. (NRS 386.420-386.470)

Generally, under the existing regulations of the Association, an aggrieved pupil or school may appeal any determination made pursuant to a regulation adopted by the Association. (NAC 386.850) Such an appeal is considered initially by an administrator of the school district who is responsible for interpreting and enforcing the regulations of the Association, a panel of principals chosen from the schools located in the school district or the Executive Director of the Association. (NAC 386.852, 386.853) A further appeal may be taken to a hearing officer appointed by the Executive Director. (NAC 386.855)

Section 5 of this bill authorizes a pupil or school that is aggrieved by a final decision or order of an administrator, a panel of principals or the Executive Director of the Association to appeal the decision or order to the Director of the Department of Administration. Section 5 requires the Director, upon receiving an appeal, to appoint an independent hearing officer to review and conduct a hearing on the appeal. A hearing officer appointed by the Executive Director. Section 5 establishes certain procedural requirements regarding the appointment of the hearing officer and the hearing on the appeal, including requirements for making the decision of the hearing officer public and accessible in a format that protects the identity of any minor involved in the appeal.

Section 6 of this bill provides that any rules and regulations adopted by the Association governing the eligibility of a pupil who transfers from one high school to another high school to participate or practice in a sanctioned sport must apply equally to public schools and private schools that are members of the Association. Section 6.5 of this bill provides that a pupil who enrolls in the 9th grade at: (1) a public school is immediately eligible to participate and practice in a sanctioned sport at the school if the pupil resides within the zone of attendance of the school at the time of enrollment, regardless of whether the pupil resided in a different zone of attendance or attended a school other than a public school before enrollment in the 9th grade; and (2) a private school is immediately eligible to participate and practice in a sanctioned sport at the school, regardless of whether the pupil attended a school other than a private school before enrollment in the 9th grade.

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

Section 1. Chapter 386 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6.5, inclusive, of this act.
Sec. 2. As used in NRS 386.420 to 386.470, inclusive, and sections 2 to 6.5, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3, 3.5 and 4 of this act have the meanings ascribed to them in those sections.

Sec. 3. "Pupil" means a student of a school or a child that receives instruction at home and is excused from compulsory attendance pursuant to NRS 392.070.

Sec. 3.5. "Sanctioned sport" means any athletic competition that is approved by the Nevada Interscholastic Activities Association.

Sec. 4. "School" means any school that is affiliated with or is a member of the Nevada Interscholastic Activities Association.

Sec. 5. 1. Any pupil or school that is aggrieved by a final decision or order made pursuant to a regulation adopted by the Nevada Interscholastic Activities Association by:

(a) An administrator of a school district who is responsible for interpreting and enforcing the regulations adopted by the Nevada Interscholastic Activities Association;

(b) A panel of principals chosen from schools located in a school district; or

(c) The Executive Director.

May not later than 10 days after the issuance of the decision or order, file a written appeal with the Executive Director [of the Department of Administration]. The Executive Director shall not later than 10 days after receiving a written appeal, appoint an independent hearing officer to review the decision or order [of the Executive Director] that is the subject of the appeal.

2. A hearing officer appointed pursuant to subsection 1 shall conduct a hearing not later than 30 days after his or her appointment. The hearing officer shall, not less than 10 days before the date of the hearing, provide written notice to each interested party of the date and location of the hearing. A hearing held pursuant to this section must be held in the school district in which the party that filed the appeal resides or is located. The hearing officer shall issue a decision or order not later than 10 days after the completion of the hearing. A decision or order issued by a hearing officer pursuant to this subsection must be in writing and is final for the purposes of judicial review. It must include a summary of the appeal that includes:

(a) A statement of the relevant facts;

(b) A statement of the issues presented and the opposing arguments of the parties;

(c) An analysis of the arguments; and

(d) The conclusion of the hearing officer.

3. Not later than 10 days after the issuance of the decision or order of the hearing officer, the Executive Director shall cause a copy of the summary
required by subsection 2 to be posted on the Internet website of the Nevada Interscholastic Activities Association. The summary must be redacted as necessary to prevent the identification of any person involved in the appeal who is less than 18 years of age. The redacted summary is a public record and must be open to public inspection as provided in NRS 239.010.

4. As used in this section, “Executive Director” means the Executive Director of the Nevada Interscholastic Activities Association.

Sec. 6. Any rules and regulations adopted by the Nevada Interscholastic Activities Association governing the eligibility of a pupil who transfers from one school to another school to participate or practice in a sanctioned sport during the period in which the pupil is enrolled in grade 9, 10, 11 or 12 must apply equally to public schools and to private schools that are members of the Association.

Sec. 6.5. 1. A pupil who enrolls in grade 9 at:
(a) A public school and who resides within the zone of attendance of the public school at the time of enrollment is immediately eligible to participate and practice in a sanctioned sport at the public school, regardless of whether the pupil:
   (1) Resided in a different zone of attendance before the pupil’s enrollment in grade 9; or
   (2) Attended a school other than a public school before the pupil’s enrollment in grade 9.
(b) A private school is immediately eligible to participate and practice in a sanctioned sport at the private school, regardless of whether the pupil attended a school other than a private school before the pupil’s enrollment in grade 9.

2. As used in this section, “zone of attendance” means the region established by the board of trustees of a school district or governing board of a charter school for the attendance of a pupil enrolled in the school.

Sec. 7. NRS 386.430 is hereby amended to read as follows:
386.430 1. The Nevada Interscholastic Activities Association shall adopt rules and regulations in the manner provided for state agencies by chapter 233B of NRS as may be necessary to carry out the provisions of NRS 386.420 to 386.470, inclusive, and sections 2 to 6.5, inclusive, of this act. The regulations must include provisions governing the eligibility and participation of homeschooled children in interscholastic activities and events. In addition to the regulations governing eligibility, a homeschooled child who wishes to participate must have on file with the school district in which the child resides a current notice of intent of a homeschooled child to participate in programs and activities pursuant to NRS 392.705.
2. The Nevada Interscholastic Activities Association shall adopt regulations setting forth:
(a) The standards of safety for each event, competition or other activity engaged in by a spirit squad of a school that is a member of the Nevada Interscholastic Activities Association, which must substantially comply with
the spirit rules of the National Federation of State High School Associations, or its successor organization; and

(b) The qualifications required for a person to become a coach of a spirit squad.

3. If the Nevada Interscholastic Activities Association intends to adopt, repeal or amend a policy, rule or regulation concerning or affecting homeschooled children, the Association shall consult with the Northern Nevada Homeschool Advisory Council and the Southern Nevada Homeschool Advisory Council, or their successor organizations, to provide those Councils with a reasonable opportunity to submit data, opinions or arguments, orally or in writing, concerning the proposal or change. The Association shall consider all written and oral submissions respecting the proposal or change before taking final action.

4. As used in this section, “spirit squad” means any team or other group of persons that is formed for the purpose of:

(a) Leading cheers or rallies to encourage support for a team that participates in a sport that is sanctioned by the Nevada Interscholastic Activities Association; or

(b) Participating in a competition against another team or other group of persons to determine the ability of each team or group of persons to engage in an activity specified in paragraph (a).

Sec. 8. NRS 386.462 is hereby amended to read as follows:

386.462 1. A homeschooled child must be allowed to participate in interscholastic activities and events in accordance with the regulations adopted by the Nevada Interscholastic Activities Association pursuant to NRS 386.430 if a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 392.705.

2. The provisions of NRS 386.420 to 386.470, inclusive, and sections 2 to 6.5, inclusive, of this act and the regulations adopted pursuant thereto that apply to pupils enrolled in public schools who participate in interscholastic activities and events apply in the same manner to homeschooled children who participate in interscholastic activities and events, including, without limitation, provisions governing:

(a) Eligibility and qualifications for participation;
(b) Fees for participation;
(c) Insurance;
(d) Transportation;
(e) Requirements of physical examination;
(f) Responsibilities of participants;
(g) Schedules of events;
(h) Safety and welfare of participants;
(i) Eligibility for awards, trophies and medals;
(j) Conduct of behavior and performance of participants; and
(k) Disciplinary procedures.
Sec. 9. (Deleted by amendment.)

Sec. 9.5. NRS 239.010 is hereby amended to read as follows:

and section 5 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.

4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
   (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
   (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
Sec. 10.  1. This section and section 6 of this act become effective upon passage and approval.  
2. Sections 1 to 5, inclusive, and sections 6.5 [7 and 8] to 9.5, inclusive, of this act become effective:  
   (a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and  
   (b) On January 1, 2016, for all other purposes.

Senator Lipparelli moved the adoption of the amendment.
Remarks by Senators Lipparelli and Segerblom.

Senator Lipparelli:
In further discussions with the NIAA Amendment No. 635 to Senate Bill No. 330 essentially changes the requirement of a hearing officer and acknowledges that a hearing’s officer is already provided in the Nevada Administrative Code but it adds to the bill that the decisions of the NIAA hearing’s officer would become a public document following redaction of the underage or student’s name from the record. I think it is a positive change to the bill.

Senator Segerblom:
In looking at the amendment, it appears that the hearing’s officer will be appointed by the executive director, is that correct?

Senator Lipparelli:
There is already a process, according to the NIAA, for the appointment of the hearing’s officer as well as for the appointment of a panel to the Clark County School District. The quick answer to your question is, yes, in the case non-Clark County locations, hearing’s officers would be appointed by the executive director.

Senator Segerblom:
There is a concern when the executive director picks the judge as to whether the judge will be independent. I am sure you have looked at that issue and at least for southern Nevada you have a solution.

Amendment adopted.
Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 334.
Bill read third time.
Remarks by Senators Roberson and Hardy.

Senator Roberson:
Senate Bill 334 requires the submission of three separate ballot questions to the voters at the 2016 General Election to determine whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption for: 1) Durable medical equipment and mobility enhancing equipment, including canes, crutches, manual or motorized wheelchairs or scooters that enhance the ability of a person to move, and other mobility-enhancing equipment, if prescribed by a licensed provider of health care acting within his or her scope of practice. 2) Hearing aids and hearing aid accessories. 3) Ophthalmic or ocular devices or appliances prescribed by a physician or optometrist. These tax exemptions become effective on January 1, 2017, and expire by limitation on December 31, 2026, only if the voters approve the amendment to the Sales and Use Tax Act of 1955 at the General Election in 2016.

Senator Hardy:
Unless the Senator to my immediate left thinks I’m against everything that he does, I am in favor of this.
Roll call on Senate Bill No. 334:
YEAS—21.
NAYS—None.

Senate Bill No. 334 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 370.
Bill read third time.
Remarks by Senator Atkinson.

Senate Bill No. 370 requires the State Barbers’ Health and Sanitation Board to oversee the examination for a license as a barbering instructor but prohibits the Board from administering any part of the examination. The bill provides that the examination for a license as an instructor must include a practical demonstration and written test. The Board must contract with a national organization to administer the examination for such a license and use only proctors who are licensed barbers in Nevada and approved by a national organization to administer the practical demonstration portion of the examination.

The measure provides that an applicant for license as an instructor may fail to pass the examination two times before he or she must complete 250 hours of further study. The bill revises the ratio of students enrolled in a barber school to instructors required to be on the premises of the barber school, and a barber school must have at least one barber’s chair for each student present during instruction in the barber school. Finally, the bill requires an applicant for a license to operate a barber school to submit information to the Board demonstrating that the barber school will be owned and operated by at least two instructors. This bill is effective upon passage and approval for purposes of adopting any regulations and performing any preparatory administrative tasks, and on January 1, 2016, for all other purposes. I urge passage today.

Roll call on Senate Bill No. 370:
YEAS—20.
NAYS—Parks.

Senate Bill No. 370 having received a two-thirds majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 382.
Bill read third time.
Remarks by Senators Ford, Kihuen, Smith and Roberson.

SENATOR FORD:

Senate Bill 382 enacts provisions relating to the imposition, collection, and remittance of sales and use taxes by retailers located outside of Nevada. The bill creates a rebuttable presumption that the sales and use tax must be imposed, collected, and remitted by retailers located outside of the state under the following conditions: 1) the retailer is part of a controlled group of business entities that has a component member who has physical presence in Nevada, and the component member engages in certain activities in Nevada that relate to the ability of the retailer to make retail sales to Nevada residents; 2) the retailer enters into an agreement with a resident of Nevada under which the resident receives certain consideration for referring potential customers to the retailer through a link on the resident’s Internet website, and the cumulative gross receipts from sales by the retailer to Nevada customers through all such referrals exceeds $10,000 during the preceding four quarterly periods.
Sections 1, 1.5, 2, 4, 5, and 7 of this act, which contain the provisions relating to the rebuttable presumption for retailers with a component member in Nevada, become effective on July 1, 2015.

Sections 3, 6, and 6.5 of this act, which contain provisions relating to the rebuttable presumption for retailers who make agreements with Nevada residents relating to referrals on Internet websites, become effective on October 1, 2015.

SENIOR KIHUEN:
I rise in support of S.B. 382. I had the pleasure of presenting this bill with my colleague from Senate District 11. S.B. 382 is our attempt to put Nevada in the best possible position for maximizing the amount of sales taxes collected on purchases made over the Internet, and create a new source of revenue that will help us properly fund all essential services in our State.

Nevada and its partners in the Streamlined Sales and Use Tax Agreement have worked hard to change state laws to facilitate the collection of sales taxes by online retailers with the idea that Congress would finally step in and address the issue at a federal level.

My colleague from Senate District 5 introduced a resolution urging Congress to pass the Marketplace Fairness Act last session and has done so again this session. But Congress has yet to act and so it falls to us to do what we can. Sadly, I think we all know that it may be years before Congress finally steps up to the plate and so, in the meantime, bills like S.B. 382 are the best bet for collecting at least some of the sales tax revenue that is currently slipping through our hands.

This bill will also help level the playing field for our “bricks and mortar” stores; too often they serve as product showrooms for consumers who then go online to purchase the items because they know they will not be charged sales tax.

In closing, S.B. 382 will start to close the loopholes in our sales tax laws and help us collect taxes that already are owed to Nevada. I urge your support.

SENIOR SMITH:
I rise in support of this important piece of legislation. As most people here know, I am president of the National Congress of State Legislatures and we have been working on this for 20 years. As my colleague mentioned, we have not seen the action we need to see at the federal level so we need to take matters into our own hands. I will remind everyone, this is not a new tax, it is a due tax.

SENIOR ROBERSON:
I, likewise, rise in support of this bill and want to complement my colleagues for bringing it forth.

Roll call on Senate Bill No. 382:
YEAS—21.
NAYS—None.

Senate Bill No. 382 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 388.
Bill read third time.
Remarks by Senator Manendo.

Senate Bill No. 388 provides for the imposition of additional fees to be charged by a county clerk when a party to a jointly filed divorce action files for the first time a motion to modify or enforce a final order or an opposition, answer, or response to such a motion. Funds from these charges are to be used only for specific purposes that benefit the court, including, but not limited to, land acquisition, renovation or construction of court facilities, advanced technology acquisition, and establishing or supporting a civil family law self-help center.
Roll call on Senate Bill No. 388:
YEAS—20.
NAYS—Gustavson.

Senate Bill No. 388 having received a two-thirds majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 393.
Bill read third time.
Remarks by Senator Parks.

Senate Bill No. 393 exempts a practitioner of acupuncture from the licensing requirements of Chapter 634A (“Oriental Medicine”) of Nevada Revised Statutes if the practitioner is: (1) employed by a school of Oriental medicine that is located in Nevada, which has received at least candidacy status for institutional accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine; (2) licensed in another state or jurisdiction; and (3) limited in his or her practice to teaching, supervising, or demonstrating the methods and practice of acupuncture in a clinical setting and does not accept payments from any patients relating to his or her practice of acupuncture. This bill is effective upon passage and approval.

Roll call on Senate Bill No. 393:
YEAS—20.
NAYS—Atkinson.

Senate Bill No. 393 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 410.
Bill read third time.
Remarks by Senator Hammond.

Senate Bill No. 410 authorizes a school bus to travel at the posted speed limit when transporting students to and from school-related activities. The bill also clarifies that a student between 14 and 18 years of age, who has a restricted license for driving to and from school in a rural area, may not exceed a speed of 55 miles per hour. This bill is effective on July 1, 2015.

Roll call on Senate Bill No. 410:
YEAS—21.
NAYS—None.

Senate Bill No. 410 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 411.
Bill read third time.
Remarks by Senators Roberson, Smith, Brower and Roberson.

SENATOR ROBERSON:
Senate Bill No. 411 authorizes the board of trustees of a school district to establish by resolution a Public Schools Overcrowding and Repair Needs Committee to recommend the imposition of one or more statutory taxes for consideration by the voters at the 2016 General Election to fund the capital projects of the school district.
The bill specifies the membership of the Committee and requires that if such a Committee is established and submits its recommendations to the board of county commissioners by April 2, 2016, the board of county commissioners is required to submit a question to the voters at the November 2016 General Election asking whether any of the statutory taxes recommended by the Committee should be imposed in the county.

If a majority of the voters approve the question, the board of county commissioners is required to adopt an ordinance to impose the approved tax or taxes and the proceeds must be deposited in the fund for capital projects of the school district.

The provisions of this bill authorizing the board of trustees of a school district to establish such a Committee expire by limitation on April 2, 2016. This act becomes effective upon passage and approval.

SENATOR SMITH:
I first want to thank my colleagues for considering this bill and passing it out. I think most of us in this body understand how desperately we need school construction, especially for older school improvement. This bill will put us down that path, where we can have citizen involvement and they can come up with what best serves their communities. There is good representation on the committee for the community members to do that. I urge your approval.

SENATOR BROWER:
I rise only to very briefly thank my colleague from District 13 for her work on this issue. This is frankly one of the most important things we can and need to do as a Legislature at this time. I urge your support.

SENATOR ROBERSON:
I would like to thank my colleague from District 13 for bringing this. It is a very important piece of legislation, thank you.

Roll call on Senate Bill No. 411:
YEAS—21.
NAYS—None.

Senate Bill No. 411 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 459.
Bill read third time.
Remarks by Senators Kieckhefer and Denis.

Senate Bill No. 459 authorizes certain physicians, physician assistants, and advanced practice registered nurses to prescribe and dispense an opioid antagonist to a family member, friend, or other person who is in a position to assist a person at risk of experiencing an opioid-related drug overdose, and provides immunity from civil and criminal liability and professional discipline for doing so. The bill authorizes the storage and dispensing of opioid antagonists by certain persons who are not registered or licensed by the State Board of Pharmacy, and requires establishing standardized procedures and protocols under which a registered pharmacist may furnish an opioid antagonist.

The bill provides that a person who, in good faith, seeks medical assistance for a person who is experiencing a drug or alcohol overdose, or other medical emergency, or who seeks such assistance for himself or herself, or who is the subject of a good faith request for such assistance, may not be arrested, charged, prosecuted, or convicted, or have his or her property subjected to forfeiture, or be otherwise penalized for violating: (1) certain provisions of existing law governing controlled substances; (2) a restraining order; or (3) a condition of the person’s parole or probation, if the evidence to support the arrest, charge, prosecution, conviction, seizure, or penalty was gained as a result of the person seeking such medical assistance. The measure also
provides that the act of seeking such assistance may be raised in mitigation in connection with certain other crimes.

Professional licensing boards of the various practitioners who are eligible to register to dispense a controlled substance are authorized to: (1) require their licensees to periodically complete certain training concerning the misuse and abuse of controlled substances; and (2) impose disciplinary action on a practitioner who fails to do so. Each person who dispenses a controlled substance is required to upload certain information to the prescription drug monitoring program database not later than the end of the next business day after dispensing the controlled substance.

In addition, the measure: (1) requires a practitioner to obtain a patient utilization report before initiating a prescription for a controlled substance; (2) exempts from liability a practitioner who fails to obtain such a report under certain circumstances; and (3) requires the Board to adopt regulations to provide alternative methods of complying with the requirement to obtain such a report for a physician who provides services in a hospital emergency department. This bill is effective upon passage and approval for the purpose of adopting any regulations and performing preparatory administrative tasks, and on October 1, 2015, for all other purposes.

SENATOR DENIS:
I want to thank my colleague for working with the Governor’s wife on this issue. This is such an important issue. I have worked on it for many years and it is hard to think of things that will actually work and make a difference, but this will work and make a difference. There are several other bills that go along with this that have helped in that issue, but I appreciate the First Lady’s desire to work on this issue because it really brought it to the forefront so we could get something done. I appreciate my colleague for bringing it forward.

Roll call on Senate Bill No. 459:
YEAS—21.
NAYS—None.

Senate Bill No. 459 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 484.
Bill read third time.
Remarks by Senator Brower.

Senate Bill No. 484 is the every other year brought by the Probate and Trust section of the State Bar. Endorsed by that section it enjoyed unanimous support in the Judiciary Committee and I would urge our support today.

Roll call on Senate Bill No. 484:
YEAS—21.
NAYS—None.

Senate Bill No. 484 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 495.
Bill read third time.
Remarks by Senator Manendo.

Senate Bill No. 495 provides that a license issued by the State Department of Agriculture is required to manufacture, distribute, or act as a guarantor of commercial feed and establishes requirements to obtain such a license. The bill also authorizes the Department to perform certain inspections related to commercial feed; creates the Commercial Feed Account in the State
General Fund for deposit of licensing fees; and provides that the Account may only be expended by the Department for certain costs of administration, including costs of inspection, sampling, and analysis of commercial feed. The bill also sets forth labeling requirements and prohibits misbranding, adulteration, and reuse of packaging of commercial feed. Finally, the bill imposes a civil penalty on a person who violates the provisions of the measure and requires that 50 percent of penalties collected must be used to fund a program to provide loans to persons engaged in agriculture who are 21 years of age or less; and the other 50 percent must be deposited in the Account for the Control of Weeds.

This bill is effective upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks, and on January 1, 2016, for all other purposes.

Roll call on Senate Bill No. 495:
YEAS—21.
NAYS—None.

Senate Bill No. 495 having received a two-thirds majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 499.
Bill read third time.
Remarks by Senator Settelmeyer.

Senate Bill No. 499 changes the last day to file a minor party ballot access petition with the Secretary of State from not later than the third Friday in May to not later than the third Friday in June. In addition, S.B. 499 changes the last day to file an independent candidate petition with the appropriate filing officer from not later than the third Friday after the first Monday in March to not later than the third Friday in June. The bill makes conforming changes to the filing date for documents challenging the qualifications for ballot access of a minor party and the qualifications of independent candidates. The court shall give priority to such proceedings.

The measure adjusts the deadlines relating to the determination of petition sufficiency and signature verification for minor party ballot access and independent candidate petitions. Specifically, S.B. 499 shortens the time frame, from four days to two days, excluding Saturdays, Sundays, and holidays, the number of days county clerks must determine the total number of signatures found on submitted petitions for minor party ballot access and independent candidates and forward that information to the Secretary of State. The subsequent notification by the Secretary of State to the county clerk concerning the sufficiency of the petition is changed from within nine days, excluding Saturdays, Sundays, and holidays, to within three days, excluding Saturdays, Sundays, and holidays, after the county clerk notifies the Secretary of State of the number of signatures on the minor party ballot access or independent candidate petition. The measure also shortens the required time frames by which statistical sampling of petition signatures and signature verification must occur.

Senate Bill 499 also changes the manner in which nominees are selected from a major political party. The bill specifies that if a major political party has two or more candidates, the person who received the highest number of votes at the primary election must be declared the nominee of that party for the office. Other nomination procedures for major party candidates to partisan office are also deleted, which means a primary election must be held whenever there are two or more candidates of the same major political party, regardless of whether a minor party or independent candidate have filed for that office. Finally, S.B. 499 extends, from the fourth Friday in June to the fourth Friday in July, the date by which a vacancy in a nonpartisan office or nomination for a nonpartisan office must be filled. The measure is effective on October 1, 2015.

Roll call on Senate Bill No. 499:
YEAS—21.
NAYS—None.
Senate Bill No. 499 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Joint Resolution No. 1.

Resolution read third time.

Remarks by Senators Goicoechea, Ford, Kihuen, Brower and Ford.

SENATOR GOICOCHEA:

Senate Joint Resolution No. 1 urges Congress to enact legislation transferring title to certain public lands to the State of Nevada in accordance with the report prepared by the Nevada Land Management Task Force. Lands requested to be transferred include: (1) federal lands administered by the Bureau of Land Management (BLM) previously identified as being suitable for disposal or currently in the process of being disposed; (2) BLM lands under an existing lease pursuant to the Recreation and Public Purposes Act; (3) certain BLM rights-of-way authorized for use by the State of Nevada or its political subdivisions; (4) geothermal areas leased by the BLM; (5) BLM lands within the “checkerboard” lands of the original Central Pacific Railroad corridor; and (6) BLM lands that have already been authorized for disposal in enacted and introduced federal land legislation.

The resolution further requests that such legislation exclude from the transfer wilderness lands, designated National Conservation Areas, and lands designated by the BLM as Areas of Critical Environmental Concern established to protect the desert tortoise. In addition, lands administered by the United States Departments of Energy and Defense and certain agencies of the Department of the Interior are requested to be excluded from such a transfer. Finally, the resolution notes that any transferred land must become State public land and that any revenue generated from the management of such lands must be deposited into a permanent trust and held for the benefit of education, mental health services, senior and veteran services, and other public programs. The resolution is effective upon passage.

SENATOR FORD:

I served on the Public Lands Committee this interim and was pleased with the report the task force brought forward on this issue. I am left with the same opinion I had at the end of the summer, I cannot support the request. We are called the Battle Born State for a number of reasons, not the least of which is because we were born during the Civil War. When we came into the Union, there were three primary prerequisites we had to abide by. The first is that we could not be a slave state. The second is that our Constitution had to have within it an establishment of religion clause comparable to the U.S. Constitution. The third was that we had to cede over all lands to the federal government. It was not a temporary ceding, it wasn’t a ceding where we could come back and get it, it was an contingency, it was a ceding of all lands to the federal government. Under that premise, we do not have the “right” to demand the land come back. A request is one thing, but a demand is certainly not something we have the right to do based on our enabling documents.

That legalese aside, we cannot afford this. The testimony has been clear. Currently the federal agencies are losing over $100 million a year to manage these lands and that number does not take into account the cost of fighting wildfires, managing feral horses or litigation associated with those things. Outdoor recreation is likewise a reason we should not be requesting the land back over because it generates over $15 billion a year in economic activity in Nevada. Transfer of these lands would decimate this important economic sector. This is not the right time for us to be requesting this and I therefore cannot support the request. I suggest the members of this body likewise reject the request.

SENATOR KIHUEN:

I’d like to echo the words of my colleague from Senate District No. 11. I rise in opposition to Senate Joint Resolution No. 1. Public lands are already a major economic driver - outdoor recreation and hunting are major contributors to Nevada’s economy. These activities generate over $15 billion dollars per year of economic activity and support 147,600 jobs. These lands are
not "excess" or unproductive; they are a key component of our State's economy. State management would actually threaten the long-term viability of millions of acres currently managed by the U.S. Forest Service and the Bureau of Land Management. The cost of correctly managing these lands far outstrips the revenue they provide, pushing the state to develop or sell them off in order to pay the bills. Certainly agencies can make necessary changes to their policies but transfers would reward the few for bad behavior--a few who don’t pay taxes like the rest of us do--at the expense of many. The only exceptions we should make, Mr. President, is for renewal energy projects that will help us stimulate and diversify our economy, create jobs, while making Nevada cleaner.

Nevada is not equipped to shoulder this enormous cost. It was only a few years ago that the state was talking about shutting down state parks and selling state buildings to balance the budget. Efforts to claim these lands will be costly to Nevada taxpayers. We should keep our public lands for the public.

SENATOR GOICOECHEA:
I would like to make a couple of clarifications. There are no Forest Service lands in this bill. There are also no demands, that is why it is a congressional action, we are asking congress to cede these lands back. Of the 7 million acres, almost 4 million acres are in the checkerboard lands, that truly, if you ask any BLM agent, are problematic to administrate because every other section is in private ownership. You mention firefighting costs and management costs, every other section is private, they recognize they have a problem administrating those. What we are talking about once you move outside of it, is the recreation public purpose lands on which Clark County School District has 58 schools built, and which must be renewed every year or every 4 years. These are good lands. We are not asking for the whole enchilada. These are reasonable. The task force did a great job in selecting the small piece.

SENATOR BROWER:
I want to thank our colleague from rural Nevada for working on this issue. He has done a lot of work on this issue. I also want to remind our colleagues that this simply does as the summary of the bill suggests; it urges congress. We are not doing anything with this resolution in terms or changing policy. We are urging congress, just like this body unanimously urged the President last session to pardon Jack Johnson. We still have not heard from the President on that one and I don’t suspect we will hear from congress any time soon on this one. I think, just as our cause last session was a righteous one, this one is as well and it makes sense to at least make the request and push the debate forward on this important issue.

SENATOR FORD:
I would like to indicate that we are indeed urging congress but that there are efforts ongoing in congress, that if they were to receive this additional efforts would take place, in congress, to try to make this happen. We are not ready, as a state, to make this happen in my opinion. It would ultimately end up being a tax on our citizens. We are not ready to handle this. I cannot support it, and I encourage the membership here to vote against it.

Roll call on Senate Joint Resolution No. 1:
YEAS—11.

Senate Joint Resolution No. 1 having received a constitutional majority, Mr. President declared it passed, as amended.
Resolution ordered transmitted to the Assembly.

Senate Joint Resolution No. 5.
Resolution read third time.
Remarks by Senators Goicoechea and Ford.

**SENATOR GOICOECHEA:**
Senate Joint Resolution No. 5 expresses the Nevada Legislature’s support of the 2014 Nevada Greater Sage-Grouse Conservation Plan prepared by the Sagebrush Ecosystem Council and confirms the Legislature’s confidence in the ability of the State of Nevada to effectively conserve the greater sage-grouse and the sagebrush ecosystem.

The resolution requests the Bureau of Land Management (BLM) and the United States Forest Service (USFS) to adopt the Conservation Plan as the preferred management alternative for greater sage-grouse in Nevada. Moreover, the resolution urges Congress to intervene if the BLM and USFS do not follow the guidance of the resolution and, if so, urges Congress to enact legislation to extend, for a period of ten years, a decision on a sage-grouse listing to allow the implementation of the Conservation Plan. I think it is good news that today, the USFS decided not to list the bi-state sage-grouse so it truly shows that with conservation and work, we can avoid the listing. I urge your support of this bill. All we are doing is Congress to give us a hand to get both the funding, the ability and if we need it, the timeframe to make sure our sage-grouse plan works.

**SENATOR FORD:**
I must rise in opposition to this bill. Ultimately the 10-year delay just kicks the can down the road rather than dealing with the issue now. A delay also undermines the Endangered Species Act which is one of the cornerstone environmental laws of the country. It takes tools away from the Department of the Interior to deal with habitat laws and recovery plans. There are other reasons as well, but I wanted to rise and give a couple of reasons why I will be voting against the bill.

Roll call on Senate Joint Resolution No. 5:
YEAS—14.

Senate Joint Resolution No. 5 having received a constitutional majority, Mr. President declared it passed, as amended.
Resolution ordered transmitted to the Assembly.

**MOTIONS, RESOLUTIONS AND NOTICES**
Senator Roberson moved that Senate Bill No. 457 be taken from the Secretary’s Desk and be placed on the bottom of the General File.
Motion carried.

Senator Kieckhefer moved that Senate Bill No. 341 be taken from the Secretary’s Desk and placed on the Second Reading File, next agenda.
Motion carried.

**GENERAL FILE AND THIRD READING**
Senate Bill No. 463.
Bill read third time.
The following amendment was proposed by Senator Gustavson:
Amendment No. 634.
AN ACT relating to education; requiring certain providers of electronic applications used for educational purposes to provide written disclosures concerning personally identifiable information that is collected; requiring such a provider to allow certain persons to review and correct personally identifiable information about a pupil maintained by the provider; limiting
the circumstances under which such a provider may collect, use, allow access to or transfer personally identifiable information concerning a pupil; requiring such a provider to establish and carry out a detailed plan for the security of data concerning pupils; requiring teachers and other licensed personnel employed by a school district or charter school to complete certain professional development; requiring certain disciplinary action against a teacher or administrator for breaches in security or confidentiality of certain examinations; providing a civil penalty for certain violations; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Section 1.25 of this bill declares that: (1) the educational records of a pupil, including the personally identifiable information contained in such records, belong to the pupil and his or her parent or legal guardian; and (2) it is the public policy of this State to protect the educational records of pupils, including the personally identifiable information contained in such records, and that (3) the provisions of this bill are intended to provide greater protection over such records and information.

Section 5 of this bill requires a school service provider to provide to the board of trustees of a school district or the governing body of a school, as applicable, and a teacher who uses a school service, a written disclosure of: (1) the types of personally identifiable information collected by the school service provider; (2) the manner in which such information is used; (3) a description of the plan for security of data concerning pupils which has been established by the school service provider; and (4) any material change to such a plan. Section 3 of this bill defines the term “school service” to mean an Internet website, online service or mobile application that: (1) collects or maintains personally identifiable information concerning a pupil; (2) is used primarily for educational purposes; (3) is designed and marketed for use in public schools; and (4) is used at the direction of teachers and other educational personnel. Section 5 requires a school service provider to: (1) allow certain pupils or the parent or guardian of a pupil to review personally identifiable information about the pupil maintained by the school service provider; and (2) establish a process for making any corrections to such information.

Section 6 of this bill limits the circumstances under which a school service provider may collect, use, allow access to or transfer personally identifiable information concerning a pupil. Section 6 requires a school service provider to delete personally identifiable information concerning a pupil at the request of the board of trustees of the school district or the governing body of the school, as applicable. Section 6 requires any agreement entered into by a school service provider that provides for the disclosure of personally identifiable information to limit the circumstances under which the person or
Governmental entity to whom the information is disclosed may collect, use or transfer such information to circumstances authorized by law. Section 6 also subjects any school service provider that violates these requirements to a civil penalty.

Section 7 of this bill requires a school service provider to establish and carry out a detailed plan for the security of any data concerning pupils that is collected or maintained by the school service provider. Section 8 of this bill requires each school district and the governing body of a charter school or university school for profoundly gifted pupils, as applicable, to annually provide professional development regarding the use of school service providers and the security of data concerning pupils. Section 8 also requires teachers and other licensed personnel employed by a school district or charter school to annually complete professional development regarding school service providers and the security of data concerning pupils.

Section 8.3 of this bill authorizes a school service provider to use and disclose information derived from personally identifiable information to demonstrate the effectiveness of the products or services of the school service provider. Section 8.5 of this bill prohibits a person or governmental entity from waiving or modifying any right, obligation or liability provided by the provisions of sections 1.5-8.5. Section 8.5 also provides that any condition, stipulation, or provision in a contract that conflicts with the provisions of sections 1.5-8.5 is void and unenforceable.

Existing law authorizes a teacher to be suspended, dismissed or not reemployed and an administrator to be demoted, suspended, dismissed or not reemployed for breaches in security or confidentiality of the questions and answers of certain examinations. (NRS 391.3127) Section 9 of this bill instead requires a teacher to be suspended, dismissed or not reemployed and an administrator to be demoted, suspended, dismissed or not reemployed for such breaches.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

Section 1. Chapter 388 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.25 to 8.5, inclusive, of this act.

Sec. 1.25. The Legislature hereby finds and declares that:

1. The educational records of a pupil, including, without limitation, the personally identifiable information of the pupil, belong to the pupil and his or her parent or legal guardian.

2. It is the public policy of this State to protect the educational records of pupils, including, without limitation, the personally identifiable information of pupils and that the

3. The provisions of sections 1.5 to 8.5, inclusive, of this act are intended to:
(a) Provide greater protection of such records and information;
(b) Limit and restrict the collection, transfer and maintenance of such information;
(c) Provide greater control of such information to pupils and their parents or guardians;
(d) Provide notification to persons and governmental entities regarding the types of personally identifiable information collected and how such information is kept secure;
(e) Establish a process for the correction or deletion of any personally identifiable information collected by a school service provider;
(f) Prohibit a school service provider from using personally identifiable information to target advertising to minors; and
(g) Ensure that teachers and other licensed educational personnel understand how to use school services in a manner that protects personally identifiable information concerning pupils.

Sec. 1.5. As used in sections 1.25 to 8.5, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 2 to 4.5, inclusive, of this act have the meanings ascribed to them in those sections.

Sec. 2. "Personally identifiable information" has the meaning ascribed to it in 34 C.F.R. § 99.3.

Sec. 3. 1. "School service" means an Internet website, online service or mobile application that:
(a) Collects or maintains personally identifiable information concerning a pupil;
(b) Is used primarily for educational purposes; and
(c) Is designed and marketed for use in public schools and is used at the direction of teachers and other educational personnel.
2. The term does not include an Internet website, online service or mobile application that is designed or marketed for use by a general audience, even if the school service is also marketed to public schools.

Sec. 4. "School service provider" means a person that operates a school service, to the extent the provider is operating in that capacity.

Sec. 4.5. "Targeted advertising" means presenting advertisements to a pupil where the advertisement is selected based on information obtained or inferred from the online behavior of a pupil, the use of applications by a pupil or personally identifiable information concerning a pupil. The term does not include advertising to a pupil at an online location based upon the current visit to the location by the pupil or a single search query without the collection and retention of the online activities of a pupil over time.

Sec. 5. 1. Before the persons or governmental entities described in subsection 3 begin using a school service, a school service provider must provide a written disclosure to such persons or governmental entities in language that is easy to understand, which includes, without limitation:
(a) The types of personally identifiable information collected by the school service provider and the manner in which such information is used; and
(b) A description of the plan for the security of data concerning pupils which has been established by the school service provider pursuant to section 7 of this act.

2. Before a school service provider makes a material change to the plan for the security of data concerning pupils established pursuant to section 7 of this act, the school service provider must provide notice to the persons or governmental entities set forth in subsection 3.

3. The disclosure or notice provided pursuant to subsection 1 or 2, as applicable, must be provided to:
   (a) The board of trustees of a school district, the governing body of a charter school or the governing body of a university school for profoundly gifted pupils, as applicable, that uses the school service of the school service provider; and
   (b) Any teacher who uses the school service.

4. A school service provider shall:
   (a) Allow a pupil who is at least 13 years of age and the parent or legal guardian of any pupil to review personally identifiable information concerning the pupil that is maintained by the school service provider; and
   (b) Establish a process, in accordance with any contract governing the activities of a school service provider and which is consistent with the provisions of sections 1.5 to 8.5, inclusive, of this act, for the correction of such information upon the request of:
      (1) A pupil who is at least 13 years of age or the parent or legal guardian of any pupil; or
      (2) The teacher of the pupil or the board of trustees of the school district in which the school that the pupil attends is located, the governing body of the charter school that the pupil attends or the governing body of the university school for profoundly gifted pupils that the pupil attends, as applicable.

Sec. 6. 1. Except as otherwise provided in subsection 2, a school service provider may collect, use, allow access to or transfer personally identifiable information concerning a pupil only:
   (a) For purposes inherent to the use of a school service by a teacher in a classroom or for the purposes authorized by the board of trustees of the school district in which the school that the pupil attends is located, the governing body of the charter school that the pupil attends or the governing body of the university school for profoundly gifted pupils that the pupil attends, as applicable, so long as it is authorized by federal and state law;
   (b) If required by federal or state law;
   (c) In response to a subpoena issued by a court of competent jurisdiction;
(d) To protect the safety of a user of the school service; or
(e) With the consent of any person required in a policy of the school district, charter school or university school for profoundly gifted pupils, as applicable, or, if none, with the consent of the pupil, if the pupil is at least 13 years of age, or the parent or legal guardian of the pupil if the parent or legal guardian has requested to provide consent before any such action is taken or if the pupil is less than 13 years of age.

2. A school service provider may transfer personally identifiable information concerning a pupil to a third-party service provider if the school service provider provides notice to the appropriate person described in paragraph (e) of subsection 1 and:
   (a) Contractually prohibits the third-party service provider from using any such information for any purpose other than providing the contracted school services to, or on behalf of, the school service provider;
   (b) Prohibits the third-party service provider from disclosing any personally identifiable information concerning a pupil unless the disclosure is authorized pursuant to subsection 1; and
   (c) Requires the third-party service provider to comply with the requirements of sections 1.5 to 8.5, inclusive, of this act.

3. A school service provider shall delete any personally identifiable information concerning a pupil that is collected or maintained by the school service provider and that is under the control of the school service provider within a reasonable time not to exceed 30 days after receiving a request from the board of trustees of the school district in which the school that the pupil attends is located, the governing body of the charter school that the pupil attends or the governing body of the university school for profoundly gifted pupils that the pupil attends, as applicable. The board of trustees or the governing body, as applicable, must have a policy which allows a parent or legal guardian of a pupil to request that such information about the pupil be deleted. The school service provider shall delete such information upon the request of the parent or legal guardian of a pupil if no such policy exists.

4. Any agreement entered into by a school service provider that provides for the disclosure of personally identifiable information must require that the person or governmental entity to whom the information will be disclosed abide by the requirements imposed pursuant to this section.

5. A school service provider shall not:
   (a) Use personally identifiable information to engage in targeted advertising.
   (b) Except as otherwise provided in this paragraph, sell personally identifiable information concerning a pupil. A school service provider may provide personally identifiable information concerning pupils to an entity that purchases, merges with or otherwise acquires the school service and the acquiring entity becomes subject to the requirements of sections 1.5 to 8.5, inclusive, of this act.
(c) Use personally identifiable information concerning a pupil to create a profile of the pupil without the consent of the appropriate person described in paragraph (e) of subsection 1. For the purposes of this paragraph, “creating a profile” does not include collecting or retaining account registration records or information that remains under the control of the pupil if he or she is at least 13 years of age, the parent or legal guardian of any pupil, the teacher of the pupil or the board of trustees of the school district in which the school that the pupil attends is located, the governing body of the charter school that the pupil attends or the governing body of the university school for profoundly gifted pupils that the pupil attends, as applicable.

(d) Use personally identifiable information concerning a pupil in a manner that is inconsistent with any contract governing the activities of the school service provider for the school service in effect at the time the information is collected or in a manner that violates any of the provisions of sections 1.5 to 8.5, inclusive, of this act.

(e) Knowingly retain, without the consent of the appropriate person described in paragraph (e) of subsection 1, personally identifiable information concerning a pupil beyond the period authorized by the contract governing the activities of the school service provider.

6. This section does not prohibit the use of personally identifiable information concerning a pupil that is collected or maintained by a school service provider for the purposes of:
   (a) Adaptive learning or providing personalized or customized education;
   (b) Maintaining or improving the school service;
   (c) Recommending additional content or services within a school service;
   (d) Responding to a request for information by a pupil;
   (e) Soliciting feedback regarding a school service; or
   (f) Allowing a pupil who is at least 13 years of age or the parent or legal guardian of any pupil to download, transfer, or otherwise maintain data concerning a pupil.

7. A school service provider that violates the provisions of this section is subject to a civil penalty in an amount not to exceed $5,000 per violation. The Attorney General may recover the penalty in a civil action brought in the name of the State of Nevada in any court of competent jurisdiction.

Sec. 7. 1. A school service provider shall establish and carry out a detailed plan for the security of any data concerning pupils that is collected or maintained by the school service provider. The plan must include, without limitation:
   (a) Procedures for protecting the security, privacy, confidentiality and integrity of personally identifiable information concerning a pupil; and
   (b) Appropriate administrative, technological and physical safeguards to ensure the security of data concerning pupils.
2. A school service provider shall ensure that any successor entity understands that it is subject to the provisions of sections 1.5 to 8.5, inclusive, of this act and agrees to abide by all privacy and security commitments related to personally identifiable information concerning a pupil collected and maintained by the school service provider before allowing a successor entity to access such personally identifiable information.

Sec. 8. 1. Each school district and the governing body of a charter school or a university school for profoundly gifted pupils, as applicable, shall annually provide professional development regarding the use of school service providers and the security of data concerning pupils.

2. Teachers and other licensed educational personnel employed by a school district, charter school or university school for profoundly gifted pupils shall complete the professional development provided pursuant to subsection 1.

Sec. 8.3. A school service provider may use and disclose information derived from personally identifiable information concerning a pupil to demonstrate the effectiveness of the products or services of the school service provider, including, without limitation, for use in advertising or marketing regarding the school service so long as the information is aggregated or is presented in a manner which does not disclose the identity of the pupil about whom the information relates.

Sec. 8.5. A person or governmental entity may not waive or modify any right, obligation or liability set forth in sections 1.5 to 8.5, inclusive, of this act. Any condition, stipulation or provision in a contract which seeks to do so or which in any way conflicts with the provisions of sections 1.5 to 8.5, inclusive, of this act is against public policy and is void and unenforceable.

Sec. 9. NRS 391.31297 is hereby amended to read as follows:

391.31297 1. A teacher may be suspended, dismissed or not reemployed and an administrator may be demoted, suspended, dismissed or not reemployed for the following reasons:

(a) Inefficiency;
(b) Immorality;
(c) Unprofessional conduct;
(d) Insubordination;
(e) Neglect of duty;
(f) Physical or mental incapacity;
(g) A justifiable decrease in the number of positions due to decreased enrollment or district reorganization;
(h) Conviction of a felony or of a crime involving moral turpitude;
(i) Inadequate performance;
(j) Evident unfitness for service;
(k) Failure to comply with such reasonable requirements as a board may prescribe;
(l) Failure to show normal improvement and evidence of professional training and growth;
(m) Advocating overthrow of the Government of the United States or of the State of Nevada by force, violence or other unlawful means, or the advocating or teaching of communism with the intent to indoctrinate pupils to subscribe to communistic philosophy;
(n) Any cause which constitutes grounds for the revocation of a teacher’s license;
(o) Willful neglect or failure to observe and carry out the requirements of this title;
(p) Dishonesty;
(q) Breaches in the security or confidentiality of the questions and answers of the examinations that are administered pursuant to NRS 389.550 or 389.805 and the college and career readiness assessment administered pursuant to NRS 389.807.
(r) Intentional failure to observe and carry out the requirements of a plan to ensure the security of examinations and assessments adopted pursuant to NRS 389.616 or 389.620;
(s) An intentional violation of NRS 388.5265 or 388.527;
(t) Gross misconduct; or
(u) An intentional failure to report a violation of NRS 388.135 if the teacher or administrator witnessed the violation.
2. If a teacher or administrator breaches the security or confidentiality of the questions and answers of the examinations that are administered pursuant to NRS 389.550 or 389.805 or the college and career readiness assessment administered pursuant to NRS 389.807, the board of trustees of a school district, governing body of a charter school or governing body of a university school for profoundly gifted pupils, as applicable, shall:
(a) Suspend, dismiss or fail to reemploy the teacher;
(b) Demote, suspend, dismiss or fail to reemploy the administrator.
3. In determining whether the professional performance of a licensed employee is inadequate, consideration must be given to the regular and special evaluation reports prepared in accordance with the policy of the employing school district and to any written standards of performance which may have been adopted by the board.
4. As used in this section, “gross misconduct” includes any act or omission that is in wanton, willful, reckless or deliberate disregard of the interests of a school or school district or a pupil thereof.
Sec. 10. NRS 391.313 is hereby amended to read as follows:
391.313  1. Whenever an administrator charged with supervision of a
licensed employee believes it is necessary to admonish the employee for a reason that the administrator believes may lead to demotion or dismissal or may cause the employee not to be reemployed under the provisions of NRS 391.31297, the administrator shall:

(a) Except as otherwise provided in subsection 3, bring the matter to the attention of the employee involved, in writing, stating the reasons for the admonition and that it may lead to the employee’s demotion, dismissal or a refusal to reemploy him or her, and make a reasonable effort to assist the employee to correct whatever appears to be the cause for the employee’s potential demotion, dismissal or a potential recommendation not to reemploy him or her; and

(b) Except as otherwise provided in NRS 391.314, allow reasonable time for improvement, which must not exceed 3 months for the first admonition.

1. The admonition must include a description of the deficiencies of the teacher and the action that is necessary to correct those deficiencies.

2. An admonition issued to a licensed employee who, within the time granted for improvement, has met the standards set for the employee by the administrator who issued the admonition must be removed from the records of the employee together with all notations and indications of its having been issued. The admonition must be removed from the records of the employee not later than 3 years after it is issued.

3. An administrator need not admonish an employee pursuant to paragraph (a) of subsection 1 if his or her employment will be terminated pursuant to NRS 391.3197.

4. A licensed employee is subject to immediate dismissal or a refusal to reemploy according to the procedures provided in NRS 391.311 to 391.3197, inclusive, without the admonition required by this section, on grounds contained in paragraphs (b), (f), (g), (h), (p) and (q) of subsection 1 of NRS 391.31297.

Sec. 11. NRS 391.3161 is hereby amended to read as follows:

391.3161 1. Each request for the appointment of a person to serve as a hearing officer must be submitted to the Superintendent of Public Instruction.

2. Within 10 days after receipt of such a request, the Superintendent of Public Instruction shall request that the Hearings Division of the Department of Administration appoint a hearing officer.

3. The State Board shall prescribe the procedures for exercising challenges to a hearing officer, including, without limitation, the number of challenges that may be exercised and the time limits in which the challenges must be exercised.

4. A hearing officer shall conduct hearings in cases of demotion, dismissal or a refusal to reemploy based on the grounds contained in subsections 1 and 2 of NRS 391.31297.

5. This section does not preclude the employee and the superintendent
from mutually selecting an attorney who is a resident of this State, an arbitrator provided by the American Arbitration Association or a representative of an agency or organization that provides alternative dispute resolution services to serve as a hearing officer to conduct a particular hearing.

Sec. 12. The provisions of sections 1.5 to 8.5, inclusive, of this act:
1. Apply to any agreement entered into, extended or renewed on or after July 1, 2015, and any provision of the agreement that is in conflict with that section is void.
2. Apply on July 1, 2018, to any agreement entered into before July 1, 2015.

Sec. 13. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 14. This act becomes effective on July 1, 2015.

Senator Gustavson moved the adoption of the amendment.
Remarks by Senators Gustavson and Ford.

Senator Gustavson:
Senate Bill 463 declares that it is the public policy of this State to protect the educational records of pupils, including personal identifiable information (PII) of the pupil, and that such records belong to the pupil and his or her parent or legal guardian. It further declares that the collection of PII must be limited and restricted and that such information must not be used for targeted advertising to minors. This bill requires the provider of an Internet website, online service, or mobile application that is used in public schools, primarily for educational purposes and at the direction of teachers or other educational personnel, and which collects or maintains PII concerning a student, to provide written disclosure of how the PII is used and secured. The bill limits the collection, use, and transfer of PII by online school service providers, as well as any person or governmental entity to whom the information is disclosed. Use of such information, unless authorized by law, may subject a provider to civil penalties up to $5,000 per incident.

The bill allows the transfer of PII, with certain limitations, and only after notification of the student or his or her parent. It also allows aggregated or de-identified student information to be used for certain purposes and prohibits a person or governmental entity from waiving or modifying the provisions in the bill through a separate contract. Certain students or their parents must be allowed to review, as well as request correction or deletion of, any PII collected by the provider. Deletion may also be requested by the school board of trustees or governing body.

Teachers and other licensed personnel are required to annually complete professional development in the use of online school services and the security of student data. Senate Bill 463 requires a teacher to be suspended, dismissed, or not reemployed and an administrator to be demoted, suspended, dismissed, or not reemployed for breaches in security or confidentiality of certain examinations. This bill is effective on July 1, 2015.

Senator Ford:
Thank you Mr. President. I rise to clarify or to share information I received upon introduction of the amendment. Just to indicate that my understanding is and I want to confirm on the record that the adoption of the amendment does not create a private right of action, a new private right of action for anyone by virtue of the fact that we have now declared who owns the personal data, which everyone knows should be the child and the parent. And that it doesn’t create any new remedies either. So I want to confirm for the record so that we all knew that and there are no misunderstandings about what the adoption of the amendment would accomplish.
SENATOR GUSTAVSON:
Yes, we do confirm that.
Amendment adopted.
Bill ordered reprinted, reengrossed and to third reading.

Senator Ford moved that the Senate recess subject to the call of the Chair.
Motion carried.

Senate in recess at 1:59 p.m.

SENATE IN SESSION

At 2:15 p.m.
President Hutchison presiding.
Quorum present.

Senate Bill No. 457.
Bill read third time.
The following amendment was proposed by Senator Roberson:
Amendment No. 644.

SUMMARY—[Revises provisions relating to the Super Speed Ground Transportation System] Creates the Nevada High-Speed Rail Authority.

AN ACT relating to trains; [revising provisions relating to the Super Speed Ground Transportation System] creating the Nevada High-Speed Rail Authority to provide for the Nevada High-Speed Rail System; and providing other matters properly relating thereto.
Legislative Counsel’s Digest:
Existing law provides for the California-Nevada Super Speed Ground Transportation Commission, charged with pursuing the development of a Super Speed Ground Transportation System connecting southern California with southern Nevada. (NRS 705.4291, 705.4293) This bill [remove the references to California’s participation on the Commission and reorganize the System under the State of Nevada] creates the Nevada High-Speed Rail Authority to provide for the Nevada High-Speed Rail System, which also will connect southern California with southern Nevada. Section [4] 8.5 of this bill creates the Nevada High-Speed Rail Authority, and requires that the members of the Authority be appointed by the Governor. [Three of the five members of the Authority must be residents of a county whose population is 700,000 or more (currently only Clark County)] . Section [4] 8.6 of this bill charges the Authority with pursuing the implementation of the Nevada High-Speed Rail System connecting southern California with southern Nevada. Section [4] 8.7 of this bill requires the Authority to select a franchisee to construct and operate the [High-Speed Rail] System. Section [5] 8.7 also provides the criteria that the Authority must use to select a franchisee and
requires the Authority and the franchisee selected by the Authority to perform various tasks related to the planning and development of the System. Section [6] 8.8 of this bill allows the Authority to incorporate, and section [7] 8.85 of this bill authorizes the Authority to issue bonds, notes, obligations or other evidences of borrowing to finance construction of the System. Section [8] 8.9 of this bill requires the Governor to issue a proclamation declaring the completion of the System. Sections 11-13 and Section 16 of this bill provides that the provisions of law relating to the System and the Authority expire by limitation upon the proclamation of the Governor that the System has been completed. Section 14 of this bill provides for staggered initial terms for the members of the Authority. Section 15 of this bill requires the Authority to select a franchisee to construct and operate the [High-Speed Rail] System on or before October 1, 2015.

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

Section 1. [NRS 705.4291 is hereby amended to read as follows:

705.4291  The Legislature finds and declares that:

1. Passage of NRS 705.4291 to 705.4296, inclusive, is a declaration of legislative intent that the [States of California and] State of Nevada [jointly consider and, if justified, pursue the development of a Super Speed Ground Transportation] High-Speed Rail System connecting southern California with southern Nevada.

2. The System will:

(a) Provide economic benefits to both southern California and southern Nevada.

(b) Reduce reliance on gasoline- and diesel-fueled engines and encourage the use of alternative energy sources.

(c) Reduce congestion on Interstate Highway No. 15 between southern California and Las Vegas.

(d) Provide a working example for a transportation system that could play an essential role in the development of future commuter and high-speed rail service in the Los Angeles Basin and the Las Vegas Valley.

(e) Provide quick and convenient transportation service for residents and visitors in southern California and southern Nevada.]{deleted by amendment}

Sec. 2. [NRS 705.4292 is hereby amended to read as follows:

705.4292  As used in NRS 705.4291 to 705.4296, inclusive, unless the context otherwise requires:

1. [“Commission” means the California Nevada Super Speed Ground Transportation]
“Authority” means the Nevada High-Speed Rail Authority created by NRS 705.4292.

2. “High-Speed Rail System” means a high-speed passenger rail system that:
   (a) Is capable of sustained speeds of at least 150 miles per hour or the speed established by the United States Department of Transportation and the Federal Railroad Administration’s plans and policies for high-speed rail express services;
   (b) Carries primarily passengers between southern Nevada and southern California;
   (c) Operates on dedicated and exclusive standard gauge tracks for the purpose of high-speed rail services;
   (d) Allows for interoperability with existing and planned rail systems; and
   (e) Is certified or authorized by the Surface Transportation Board of the United States Department of Transportation as an interstate passenger railroad to construct and operate its route between southern Nevada and southern California.

3. “Southern California” means the counties of Kern, Los Angeles, Orange, Riverside, and San Bernardino.

3. “Super Speed Ground Transportation System” means a system that:
   (a) Is capable of sustained speeds of at least 240 miles per hour;
   (b) Uses magnetic levitation technology;
   (c) Carries primarily passengers; and
   (d) Operates on a grade separated, dedicated guideway in San Diego.

Sec. 3. [NRS 705.4293 is hereby amended to read as follows:

705.4293 1. There is hereby created the [California-Nevada Super Speed Ground Transportation Commission] Nevada High-Speed Rail Authority as a separate legal entity. The governing body of the [Commission] Authority consists of:
   (a) The members from California appointed pursuant to the law of California and the bylaws of the Commission.
   (b) The same number of members from Nevada as are from California.

   The members must be residents of the State of Nevada and must be appointed based upon their knowledge, expertise or experience in the areas of rail transportation and high-speed rail services. Three of the members must be residents of a county whose population is 700,000 or more.

2. After their initial terms, the members from Nevada serve for terms of 4 years and may be reappointed at the pleasure of the Governor.

3. The [Commission] Authority shall elect one of its members as Chair.

4. The members of the Authority serve without compensation but are entitled to receive the per diem allowance and travel expenses provided for...
state officers and employees generally while engaged in the official business of the Authority.

Sec. 4. [NRS 705.42935 is hereby amended to read as follows:

705.42935 The Authority is hereby designated as an agency of the State of Nevada for the purposes of carrying out the provisions of NRS 705.4291 to 705.4296, inclusive.] (Deleted by amendment.)

Sec. 5. [NRS 705.4294 is hereby amended to read as follows:

705.4294 1. The Authority may:

(a) Subject to the provisions of subsection 2, secure a right-of-way and award a franchise for the construction and operation of a Super Speed Ground Transportation System principally following the route of Interstate Highway No. 15 between Las Vegas, Nevada, and a point in southern California.

(b) The Authority shall select a franchisee as required by subsection 1 based on criteria which must include, without limitation:

(a) The extent to which environmental studies have been completed by or on behalf of a potential franchisee;

(b) Confirmation by a potential franchisee of the level of private investment that has been made or committed for the High-Speed Rail System;

(c) A review of the readiness of a potential franchisee for the High-Speed Rail System to engage in construction of that System; and

(d) Pending or completed permit applications to implement the High-Speed Rail System.

3. A franchisee selected pursuant to this section may, with the assistance of the Authority:

(a) Acquire or gain control or use of land for rights-of-way, stations and ancillary uses through purchase, gift, lease, use permit or easement.

(b) Conduct engineering and other studies related to the selection and acquisition of rights-of-way and the selection of a franchisee, including, but not limited to, environmental impact studies, socioeconomic impact studies and financial feasibility studies. All local, state and federal environmental requirements must be met by the Authority.

(d) Evaluate alternative technologies, systems and operators for a Super Speed Ground Transportation System, and select a franchisee to construct and operate the Super Speed Ground Transportation System between southern California and Las Vegas.

(e) Establish criteria for the award of the franchise.

(f) Accept grants, gifts, fees and allocations from Nevada or its political subdivisions, the Federal Government, foreign governments and any private source.

(g) Issue debt, but this debt does not constitute an obligation of the
State of [California or the State of] Nevada, or any of [their] political subdivisions.

(h) Hire [an Executive Officer, other] staff and any consultants as deemed appropriate.

(i) Select the exact route and terminal sites.

(j) Obtain [or assist the selected franchisee in obtaining] all necessary permits and certificates from governmental entities in California and Nevada.

2. Before the:

(a) Commission or a franchisee begins construction in Nevada; and

(b) Receipt of any final certificates and permits necessary for the construction or use of a public right-of-way,

the route and terminals selected by the Commission must be approved by the appropriate local, regional, and state governmental entities in Nevada which have jurisdiction over the route and terminals located in this state. As a condition of awarding a franchise, the Commission shall require the franchisee to comply with this subsection.

3. Before the:

(a) Commission or a franchisee begins construction in California; and

(b) Receipt of any final certificates and permits necessary for the construction or use of a public right-of-way,

the route and terminals selected by the Commission must be approved by the appropriate local, regional, and state governmental entities in California which have jurisdiction over the route and terminals located in that state. As a condition of awarding a franchise, the Commission shall require the franchisee to comply with this subsection.

Recognizing the preemptive federal authority of the Surface Transportation Board of the United States Department of Transportation over interstate passenger railroads.

(g) Negotiate, enter into, and execute all necessary local, regional, and state governmental agreements to allow for the construction and implementation of the High-Speed Rail System.

4. The franchisee selected pursuant to this section must coordinate the implementation of the High-Speed Rail System with all governmental entities that have jurisdiction over the High-Speed Rail System, including, without limitation, the relevant counties and the Department of Transportation.

(Deleted by amendment.)

Sec. 6. [NRS 705.4295 is hereby amended to read as follows:

705.4295] 1. The [Commission] Authority may incorporate under the general incorporation laws of either this state or the State of California, whichever the [Commission] Authority determines to be in its best interests. Copies of its proceedings, records and acts, when authenticated, are admissible in evidence in all courts of either State and are prima facie evidence of the truth of all statements therein.
2. The members of the [Commission] Authority and its agents and employees are not liable for any damages that result from any act or omission in the performance of their duties or the exercise of their powers pursuant to NRS 705.4291 to 705.4296, inclusive. [Deleted by amendment.]

Sec. 7. [NRS 705.42955 is hereby amended to read as follows:

705.42955 1. The [Commission] Authority, or a corporation formed by the [Commission] Authority pursuant to the laws of this state or the State of California, as the [Commission] Authority deems appropriate, may issue bonds, notes, obligations or other evidences of borrowing to finance all or a part of the construction of all or a part of the [Super Speed Ground Transportation] High-Speed Rail System. For purposes of issuing bonds, notes, obligations or other evidences of borrowing pursuant to this section, the [Commission] Authority and any corporation formed by the [Commission] Authority are constituted authorities for the purposes of regulations enacted by the Internal Revenue Service pursuant to 26 U.S.C. §§ 103 and 141 to 150, inclusive.

2. Bonds, notes, obligations or other evidences of borrowing issued by the [Commission] Authority or any corporation formed by the [Commission] Authority which are issued to finance all or any part of the construction of all or a part of the [Super Speed Ground Transportation] High-Speed Rail System may be payable from and secured by:

(a) A pledge of property of the [Commission] Authority or a corporation formed by the [Commission] Authority pursuant to this section;

(b) A pledge of any revenue of the [Super Speed Ground Transportation] High-Speed Rail System, including revenue from fares, revenue from advertising and all other revenue of the System; and

(c) A pledge of any other money made available to the [Commission] Authority or a corporation formed by the [Commission] Authority pursuant to this section by:

(1) Grants from the Federal Government or any other federal funds as may be available to pay costs of the [Super Speed Ground Transportation] High-Speed Rail System or debt service on any borrowing;

(2) Any company, public or private; or

(3) Any local government or governmental entity in this state or in the State of California pursuant to an intergovernmental agreement or otherwise.

3. The [Commission] Authority, in coordination with the franchisee selected pursuant to NRS 705.4294, may enter into agreements with any person, local government or governmental entity for the provision of resources or assistance to the [Commission] Authority or a corporation formed by the [Commission] Authority concerning the financing of the [Super Speed Ground Transportation] High-Speed Rail System.

4. The [Commission] Authority or any corporation formed by the
[Commission] Authority pursuant to this section may issue obligations to refund any obligations issued pursuant to the provisions of NRS 705.4291 to 705.4296, inclusive, for any purpose the [Commission] Authority determines to be sufficient.

5. Nothing in this section authorizes the [Commission] Authority or any corporation formed by the [Commission] Authority to obligate this state or the State of California or any political subdivision thereof unless such State or political subdivision has obligated itself to the [Commission] Authority or a corporation created by the [Commission] Authority through an intergovernmental agreement.

6. [Unless a specific statute of this state or the State of California requires otherwise, upon dissolution of the Commission, all property of the Commission must be distributed between this state and the State of California in an equitable manner as agreed upon by the States.

7.] The creation, perfection, priority and enforcement of any lien on pledged revenue or other money established to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section, must be as specified in this section and in the instruments approved by the [Commission] Authority pertaining to that bond, note, obligation or other evidence of borrowing. It is the purpose of this section to provide expressly for the creation, perfection, priority and enforcement of a security interest created by the [Commission] Authority in pledged revenues or other money in connection with bonds, notes, obligations or other evidences of borrowing issued pursuant to this section, as provided for in paragraph (n) of subsection 4 of NRS 104.9109. Any lien on pledged revenue or other money created to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section has priority over any lien thereon created pursuant to the provisions of chapter 104 of NRS unless otherwise provided in the instrument creating the lien to secure such bond, note, obligation or other evidence of borrowing issued pursuant to the provisions of this section.[(Deleted by amendment.)]

Sec. 8. [NRS 705.4296 is hereby amended to read as follows:

705.4296  The Governor shall declare, by public proclamation on the date of completion of the [Super Speed Ground Transportation] High-Speed Rail System connecting southern California with Southern Nevada, that the System has been completed.] (Deleted by amendment.)

Sec. 8.1. Chapter 705 of NRS is hereby amended by adding thereto the provisions set forth as sections 8.2 to 8.9, inclusive, of this act.

Sec. 8.2. The Legislature finds and declares that:

1. The passage of sections 8.2 to 8.9, inclusive, of this act is a declaration of legislative intent that the State of Nevada pursue the
implementation of the Nevada High-Speed Rail System connecting southern California with southern Nevada.

2. The System will:
   (a) Provide economic benefits to both southern California and southern Nevada.
   (b) Reduce reliance on gasoline- and diesel-fueled engines and encourage the use of alternative energy sources.
   (c) Reduce congestion on Interstate Highway No. 15 between southern California and Las Vegas.
   (d) Provide a working example for a transportation system that could play an essential role in the development of future commuter and high-speed rail service in the Los Angeles Basin and the Las Vegas Valley.
   (e) Provide quick and convenient transportation service for residents and visitors in southern California and southern Nevada.

Sec. 8.25. As used in sections 8.2 to 8.9, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 8.3, 8.35 and 8.4 of this act have the meanings ascribed to them in those sections.

Sec. 8.3. "Authority" means the Nevada High-Speed Rail Authority created by section 8.5 of this act.

Sec. 8.35. "Nevada High-Speed Rail System" means a high-speed passenger rail system that:

1. Is capable of sustained speeds of at least 150 miles per hour or the speed established by the United States Department of Transportation and the Federal Railroad Administration's plans and policies for high-speed rail express services;

2. Carries primarily passengers between southern Nevada and southern California;

3. Operates on dedicated and exclusive standard gauge tracks for the purpose of high-speed rail service;

4. Allows for interoperability with existing and planned rail systems; and

5. Is certified or authorized by the Surface Transportation Board of the United States Department of Transportation as an interstate passenger railroad to construct and operate its route between southern Nevada and southern California.

Sec. 8.4. "Southern California" means the counties of Kern, Los Angeles, Orange, Riverside, San Bernardino and San Diego.

Sec. 8.5. 1. There is hereby created the Nevada High-Speed Rail Authority as a separate legal entity. The governing body of the Authority consists of five members appointed by the Governor. The members must be residents of the State of Nevada and must be appointed based upon their knowledge, expertise or experience in the areas of rail transportation and high-speed rail services.

2. After their initial terms, the members serve for terms of 4 years and
may be reappointed at the pleasure of the Governor.

3. The Authority shall elect one of its members as Chair.

4. The members of the Authority serve without compensation but are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally while engaged in the official business of the Authority.

Sec. 8.6. The Authority is hereby designated as an agency of the State of Nevada for the purposes of carrying out the provisions of sections 8.2 to 8.9, inclusive, of this act.

Sec. 8.7. 1. The Authority shall, subject to the provisions of subsection 2, select a franchisee for the construction and operation of a high-speed rail system, to be commonly known as the Nevada High-Speed Rail System, principally following the route of Interstate Highway No. 15 between Las Vegas, Nevada, and a point in southern California.

2. The Authority shall select a franchisee as required by subsection 1 based on criteria which must include, without limitation:

   (a) The extent to which environmental studies have been completed by or on behalf of a potential franchisee;
   (b) Confirmation by a potential franchisee of the level of private investment that has been made or committed for the Nevada High-Speed Rail System;
   (c) A review of the readiness of a potential franchisee for the Nevada High-Speed Rail System to engage in construction of that System; and
   (d) Pending or completed permit applications to implement the Nevada High-Speed Rail System.

3. A franchisee selected pursuant to this section may, with the assistance of the Authority:

   (a) Acquire or gain control or use of land for rights-of-way, stations and ancillary uses through purchase, gift, lease, use permit or easement;
   (b) Conduct engineering and other studies related to the selection and acquisition of rights-of-way, including, without limitation, environmental impact studies, socioeconomic impact studies and financial feasibility studies. All local, state and federal environmental requirements must be met by the franchisee;
   (c) Accept grants, gifts, fees and allocations from Nevada or its political subdivisions, the Federal Government, foreign governments and any private source.
   (d) Issue debt, but this debt does not constitute an obligation of the State of Nevada, or any of its political subdivisions.
   (e) Hire such staff and any consultants as deemed appropriate.
   (f) Obtain all necessary permits and certificates from governmental entities in California and Nevada, recognizing the preemptive federal authority of the Surface Transportation Board of the United States Department of Transportation over interstate passenger railroads.
(g) Negotiate, enter into and execute all necessary local, regional and state governmental agreements to allow for the construction and implementation of the Nevada High-Speed Rail System.

4. The franchisee selected pursuant to this section must coordinate the implementation of the Nevada High-Speed Rail System with all governmental entities that have jurisdiction over the System, including, without limitation, the relevant counties and the Department of Transportation.

Sec. 8.8. 1. The Authority may incorporate under the general incorporation laws of either this State or the State of California, whichever the Authority determines to be in its best interests. Copies of its proceedings, records and acts, when authenticated, are admissible in evidence in all courts of either state and are prima facie evidence of the truth of all statements therein.

2. The members of the Authority and its agents and employees are not liable for any damages that result from any act or omission in the performance of their duties or the exercise of their powers pursuant to sections 8.2 to 8.9, inclusive, of this act.

Sec. 8.85. 1. The Authority, or a corporation formed by the Authority pursuant to the laws of this State or the State of California, as the Authority deems appropriate, may issue bonds, notes, obligations or other evidences of borrowing to finance all or a part of the construction of all or a part of the Nevada High-Speed Rail System. For the purposes of issuing bonds, notes, obligations or other evidences of borrowing pursuant to this section, the Authority and any corporation formed by the Authority are constituted authorities for the purposes of regulations enacted by the Internal Revenue Service pursuant to 26 U.S.C. §§ 103 and 141 to 150, inclusive.

2. Bonds, notes, obligations or other evidences of borrowing issued by the Authority or any corporation formed by the Authority which are issued to finance all or any part of the construction of all or a part of the Nevada High-Speed Rail System may be payable from and secured by:

(a) A pledge of property of the Authority or a corporation formed by the Authority pursuant to this section;

(b) A pledge of any revenue of the System, including revenue from fares, revenue from advertising and all other revenue of the System; and

(c) A pledge of any other money made available to the Authority or a corporation formed by the Authority pursuant to this section by:

(1) Grants from the Federal Government or any other federal funds as may be available to pay costs of the System or debt service on any borrowing;

(2) Any company, public or private; or

(3) Any local government or governmental entity in this State or in the State of California pursuant to an intergovernmental agreement or otherwise.
3. The Authority, in coordination with the franchisee selected pursuant to section 8.7 of this act, may enter into agreements with any person, local government or governmental entity for the provision of resources or assistance to the Authority or a corporation formed by the Authority concerning the financing of the Nevada High-Speed Rail System.

4. The Authority or any corporation formed by the Authority pursuant to this section may issue obligations to refund any obligations issued pursuant to the provisions of sections 8.2 to 8.9, inclusive, of this act for any purpose the Authority determines to be sufficient.

5. Nothing in this section authorizes the Authority or any corporation formed by the Authority to obligate this State or the State of California or any political subdivision thereof unless such state or political subdivision has obligated itself to the Authority or a corporation created by the Authority through an intergovernmental agreement.

6. The creation, perfection, priority and enforcement of any lien on pledged revenue or other money established to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section, must be as specified in this section and in the instruments approved by the Authority pertaining to that bond, note, obligation or other evidence of borrowing. It is the purpose of this section to provide expressly for the creation, perfection, priority and enforcement of a security interest created by the Authority in pledged revenues or other money in connection with bonds, notes, obligations or other evidences of borrowing issued pursuant to this section, as provided for in paragraph (n) of subsection 4 of NRS 104.9109. Any lien on pledged revenue or other money created to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section has priority over any lien thereon created pursuant to the provisions of chapter 104 of NRS unless otherwise provided in the instrument creating the lien to secure such bond, note, obligation or other evidence of borrowing issued pursuant to the provisions of this section.

Sec. 8.9. The Governor shall declare, by public proclamation on the date of completion of the Nevada High-Speed Rail System connecting southern California with southern Nevada, that the System has been completed.

Sec. 9. NRS 709.050 is hereby amended to read as follows:

709.050 1. The board of county commissioners may grant to any person, company, corporation or association the franchise, right and privilege to construct, install, operate and maintain street railways, electric light, heat and power lines, gas and water mains, telephone lines, and all necessary or proper appliances used in connection therewith or appurtenant thereto, in the streets, alleys, avenues and other places in any unincorporated town in the county, and along the public roads and highways of the county, when the applicant complies with the terms and provisions of NRS 709.050 to 709.170, inclusive.
2. The board of county commissioners shall not:
   (a) Impose any terms or conditions on a franchise granted pursuant to subsection 1 for the provision of telecommunication service or interactive computer service other than terms or conditions concerning the placement and location of the telephone lines and fees imposed for a business license or the franchise, right or privilege to construct, install or operate such lines.
   (b) Require a company that provides telecommunication service or interactive computer service to obtain a franchise if it provides telecommunication service over the telephone lines owned by another company.

3. As used in NRS 709.050 to 709.170, inclusive:
   (a) "Interactive computer service" has the meaning ascribed to it in 47 U.S.C. § 230(f)(2), as that section existed on January 1, 2007.
   (b) "Street railway" means:
       (1) A system of public transportation operating over fixed rails on the surface of the ground; or
       (2) An overhead or underground system, other than a monorail, used for public transportation.
       The term does not include a Super Speed Ground Transportation System [High-Speed Rail System] as defined in NRS 705.4292 or a high-speed rail system as defined in section 8.35 of this act.
   (c) "Telecommunication service" has the meaning ascribed to it in NRS 704.028.

4. As used in this section, “monorail” has the meaning ascribed to it in NRS 705.650.

Sec. 10. NRS 709.290 is hereby amended to read as follows:

709.290 1. The county commissioners, town trustees, supervisors or other governing body directly entrusted with the management of affairs of any town or city in this State are authorized to sell to the highest responsible bidder any franchise for a street railway through and over any street or streets of such town, according to the provisions of NRS 709.310.

2. As used in NRS 709.290 to 709.360, inclusive, “street railway” means:
   (a) A system of public transportation operating over fixed rails on the surface of the ground; or
   (b) An overhead or underground system, other than a monorail, used for public transportation.
   The term does not include a Super Speed Ground Transportation [High-Speed Rail System] as defined in NRS 705.4292 or a high-speed rail system as defined in section 8.35 of this act.

3. As used in this section, “monorail” has the meaning ascribed to it in NRS 705.650.

Sec. 11. [Section 3.5 of chapter 88, Statutes of Nevada 2001, as added}
by section 7 of chapter 2, Statutes of Nevada 2003, at page 6, is hereby amended to read as follows:

Sec. 3.5. NRS 705.4291, 705.4292, 705.4293, 705.4294, 705.4295 and 705.4296 expire by limitation:
1. One year after the date on which the Governor declares by public proclamation that the [super speed ground transportation system] **High-Speed Rail System** connecting southern California with southern Nevada has been completed; or
2. On the date all borrowing made pursuant to section 1 of this act is retired, whichever is later. (Deleted by amendment.)

Sec. 12. [Section 4 of chapter 88, Statutes of Nevada 2001, at page 560, is hereby amended to read as follows:

Sec. 4. 1. This act becomes effective on July 1, 2001.
2. Sections 1 and 2 of this act expire by limitation:
(a) One year after the date on which the Governor declares by public proclamation that the [super speed ground transportation system] **High-Speed Rail System** connecting southern California with southern Nevada has been completed; or
(b) On the date all borrowing made pursuant to section 1 of this act is retired, whichever is later.] (Deleted by amendment.)

Sec. 13. [Section 5 of chapter 209, Statutes of Nevada 2003, at page 1173, is hereby amended to read as follows:

Sec. 5. 1. This act becomes effective on July 1, 2003.
2. Sections 1 to 4, inclusive, of this act expire by limitation:
(a) One year after the date on which the Governor declares by public proclamation that the **High Speed Rail System** connecting southern California with southern Nevada has been completed; or
(b) On the date all borrowing made pursuant to NRS 705.42955 is retired, whichever is later.] (Deleted by amendment.)

Sec. 14. [On the effective date of this act:

1. The rights, obligations and property of the State of Nevada in the California-Nevada Super Speed Ground Transportation Commission, if any, become the rights, obligations and property of the Nevada High-Speed Rail Authority created by NRS 705.4293, as amended by section 3 of this act.
2. The terms of the Nevada members of the California-Nevada Super Speed Ground Transportation Commission expire and the initial appointments to the Nevada High-Speed Rail Authority created by section 8.5 of this act must be made as follows:

   [a] 1. The Governor shall appoint one member to a term beginning on July 1, 2015, and ending on June 30, 2017;
2. The Governor shall appoint two members to terms beginning on July 1, 2015, and ending on June 30, 2018; and
3. The Governor shall appoint two members to terms beginning on July 1, 2015, and ending on June 30, 2019.

Any agreements entered into by the California-Nevada Super Speed Ground Transportation Commission terminate.

Sec. 15. The Nevada High-Speed Rail Authority created by section 8.5 of this act shall, on or before October 1, 2015, select a franchisee as required by [NRS 705.429], as amended by section 8.7 of this act.

Sec. 16. 1. This act becomes effective upon passage and approval.
2. Sections 1 to 10, inclusive, of this act expire by limitation:
   (a) One year after the date on which the Governor declares by public proclamation that the Nevada High-Speed Rail System connecting southern California with southern Nevada has been completed; or
   (b) On the date all borrowing made pursuant to [NRS 705.42955] section 8.85 of this act is retired, whichever is later.

Senator Hammond moved the adoption of the amendment.
Remarks by Senators Hammond and Parks.

SENATOR HAMMOND:
Basically, what this amendment will do is two things. 1) It will eliminate the mandate that a majority of the members of the Commission be from Southern Nevada. 2) It will also prevent us from eliminating the Commission that already exists on super speed rail and all it does is create this other Commission as well.

SENATOR PARKS:
To my colleague from Senate District 18, I would like clarification. As I read this it does not in any way impact the California-Nevada Super Speed Ground Transportation Commission.

SENATOR HAMMOND:
To my colleague from the South, yes, basically the amendment will make sure that it does not impact that other Commission.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

SENATE IN SESSION
At 2:15 p.m.
President Hutchison presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Commerce, Labor and Energy, to which was referred Senate Bill No. 282, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

JAMES A. SETTELMeyer, Chair
MESSAGES FROM THE ASSEMBLY
ASSEMBLY CHAMBER, Carson City, April 20, 2015

To the Honorable the Senate:
I have the honor to inform your honorable body that the Assembly on this day passed
Assembly Bills Nos. 159, 262, 370, 429, 460.
Also, I have the honor to inform your honorable body that the Assembly on this day passed,
as amended, Assembly Bills Nos. 51, 59, 67, 88, 89, 107, 115, 120, 140, 158, 162, 166, 172,
379, 419, 435, 462; Assembly Joint Resolution No. 10.

CAROL AIELLO-SALA
Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES
Senator Kieckhefer moved to refer Assembly Joint Resolution 10 to the
Committee on Legislative Operations and Elections.
Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE
Assembly Bill No. 51.
Senator Kieckhefer moved that the bill be referred to the Committee on
Judiciary.
Motion carried.
Assembly Bill No. 59.
Senator Kieckhefer moved that the bill be referred to the Committee on
Government Affairs.
Motion carried.
Assembly Bill No. 67.
Senator Kieckhefer moved that the bill be referred to the Committee on
Judiciary.
Motion carried.
Assembly Bill No. 88.
Senator Kieckhefer moved that the bill be referred to the Committee on
Government Affairs.
Motion carried.
Assembly Bill No. 89.
Senator Kieckhefer moved that the bill be referred to the Committee on
Commerce, Labor and Energy.
Motion carried.
Assembly Bill No. 107.
Senator Kieckhefer moved that the bill be referred to the Committee on
Education.
Motion carried.
Assembly Bill No. 115.
Senator Kieckhefer moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.

Assembly Bill No. 120.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 140.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 158.
Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.
Motion carried.

Assembly Bill No. 159.
Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.
Motion carried.

Assembly Bill No. 162.
Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.
Motion carried.

Assembly Bill No. 166.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 172.
Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.
Motion carried.

Assembly Bill No. 173.
Senator Kieckhefer moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.

Assembly Bill No. 176.
Senator Kieckhefer moved that the bill be referred to the Committee on Transportation.
Motion carried.
Assembly Bill No. 178.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 195.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 212.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 224.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 225.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 262.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 263.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 267.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 270.
Senator Kieckhefer moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.

Assembly Bill No. 275.
Senator Kieckhefer moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.
Assembly Bill No. 278.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 283.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 285.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 295.
Senator Kieckhefer moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.

Assembly Bill No. 297.
Senator Kieckhefer moved to suspend Standing Rule No. 40 and re-referred the bill to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 305.
Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.
Motion carried.

Assembly Bill No. 363.
Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.
Motion carried.

Assembly Bill No. 370.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.

Assembly Bill No. 374.
Senator Kieckhefer moved that the bill be referred to the Committee on Education.
Motion carried.

Assembly Bill No. 379.
Senator Kieckhefer moved that the bill be referred to the Committee on Judiciary.
Motion carried.
Assembly Bill No. 419.
Senator Kieckhefer moved that the bill be referred to the Committee on
Judiciary.
Motion carried.

Assembly Bill No. 429.
Senator Kieckhefer moved to suspend Standing Rule 40. and that the bill
be referred to the Committee on Finance.
Motion carried.

Assembly Bill No. 435.
Senator Kieckhefer moved that the bill be referred to the Committee on
Judiciary.
Motion carried.

Assembly Bill No. 460.
Senator Kieckhefer moved that the bill be referred to the Committee on
Legislative Operations and Elections.
Motion carried.

Assembly Bill No. 462.
Senator Kieckhefer moved that the bill be referred to the Committee on
Legislative Operations and Elections.
Motion carried.

Assembly Joint Resolution No. 10.
Senator Kieckhefer moved that the resolution be referred to the Committee
on Legislative Operations and Elections.
Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 282.
Bill read second time.
The following amendment was proposed by the Committee on Commerce,
Labor and Energy:
Amendment No. 462.

AN ACT relating to energy; revising provisions relating to the payment
of incentives to participants in the Solar Energy Systems Incentive Program,
the Wind Energy Systems Demonstration Program and the Waterpower
Energy Systems Demonstration Program; providing for the implementation
by certain electric utilities of energy efficiency resource plans; authorizing
such electric utilities to recover certain costs and performance-based
incentives as the result of implementing a plan; repealing provisions
requiring each electric utility to create a Lower Income Solar Energy Pilot
Program; and providing other matters properly relating thereto.
Legislative Counsel’s Digest:
Existing law establishes the Solar Energy Systems Incentive Program, the Wind Energy Systems Demonstration Program and the Waterpower Energy Systems Demonstration Program. Existing law further establishes the amount of incentives that may be authorized for payment by the Public Utilities Commission of Nevada to each Program. (NRS 701B.005, 701B.010-701B.290, 701B.400-701B.650, 701B.700-701B.880) Section 1 of this bill combines the amount of existing incentives available for payment to each Program into a single pool of money from which the Commission may authorize the payment of an incentive to a Program. Section 1 further requires the Commission, for the period beginning on January 1, 2016, and ending on December 31, 2021, to authorize the payment of incentives in an amount of not more than $2 million per year for the installation of solar energy systems and distributed generation systems at locations throughout the service territories of electric utilities in this State which benefit low-income customers. Section 2 of this bill provides that incentives available to participants under the Solar Program must account for the cost of labor with respect to the installation of a solar energy system or distributed generation system. Section 2 further provides that incentives available to a participant that is a public entity or nonprofit organization must not exceed 75 percent of the installed cost of the solar energy system or distributed generation system based on the average installed cost of a system, as applicable, by public entities and nonprofit organizations in the immediately preceding year. 

Existing law provides for the implementation by certain electric utilities of certain energy efficiency and conservation programs and further authorizes an electric utility to recover certain costs associated with the implementation of the program in accordance with regulations adopted by the Commission. (NRS 704.785) Sections 4-12 of this bill provide for the development and implementation of energy efficiency resource plans by electric utilities for the period beginning on July 1, 2016, and ending on June 30, 2025, for the purpose of encouraging a reduction in energy consumption by the retail customers of the electric utility through the purchase, installation and implementation of energy efficiency measures. Section 10 requires each electric utility annually to develop and the Commission to approve a plan that requires the electric utility to reimburse its retail customers for the purchase, installation or implementation of energy efficiency measures up to a certain cumulative amount based on the gross sales of electricity by the electric utility to its retail customers. Section 14 of this bill authorizes an electric utility that implements such a plan to recover certain costs of the electric utility in implementing the plan in accordance with regulations adopted by the Commission. Section 11 authorizes the electric utility, in addition to the recovery of its costs pursuant to section 14, annually to recover a performance-based incentive in a certain amount if the utility meets or
Section 12 requires the Commission to adopt regulations providing for the evaluation and administration of energy efficiency resource plans and authorizes the Commission, under certain circumstances, to increase the cumulative amount of the reimbursement that is required under the plan and the amount of the performance-based incentive that an electric utility may receive as the result of meeting or exceeding its reimbursement requirement in a plan year.

Section 15.5 of this bill repeals the provisions of existing law that require each electric utility in this State to create a Lower Income Solar Energy Pilot Program, which are duplicative of the amendatory provisions of section 1.

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

Section 1. NRS 701B.005 is hereby amended to read as follows:

701B.005  1.  For the purposes of carrying out the Solar Energy Systems Incentive Program created by NRS 701B.240, and subject to the limitations prescribed by subsections 2 and 3, the Public Utilities Commission of Nevada shall set incentive levels and schedules, with a goal of approving solar energy systems totaling at least 250,000 kilowatts of capacity in this State for the period beginning on July 1, 2010, and ending on December 31, 2021.

2.  [The] Except as otherwise provided in subsection 3, the Commission may authorize the payment of an incentive pursuant to:

(a) The Solar Energy Systems Incentive Program created by NRS 701B.240, the Wind Energy Systems Demonstration Program created by NRS 701B.580 and the Waterpower Energy Systems Demonstration Program created by NRS 701B.820 if the payment of the incentive would not cause the total amount of incentives paid by all utilities in this State for the installation of solar energy systems, wind energy systems and waterpower energy systems to exceed $295,270,000 for the period beginning on July 1, 2010, and ending on December 31, 2025.

(b) The Wind Energy Systems Demonstration Program created by NRS 701B.580 and the Waterpower Energy Systems Demonstration Program created by NRS 701B.820 if the payment of the incentive would cause the total amount of incentives paid by all utilities in this State for the installation of wind energy systems and waterpower energy systems to exceed $40,000,000 for the period beginning on July 1, 2009, and ending on December 31, 2025. The Commission shall by regulation determine the allocation of incentives for each Program.

3.  For the period beginning on January 1, 2016, and ending on December 31, 2021, the Commission shall, from the money allocated for the payment of an incentive pursuant to subsection 2, authorize the payment of
incentives in an amount of not more than $2 million per year for the installation of solar energy systems and distributed generation systems at locations throughout the service territories of utilities in this State which benefit low-income customers, including, without limitation, homeless shelters, low-income housing developments and public entities, other than municipalities, that serve significant populations of low-income residents.

4. The Commission may, subject to the limitations prescribed by subsections 2 and 3, authorize the payment of performance-based incentives for the period ending on December 31, 2025.

5. A utility may file with the Commission one combined annual plan which meets the requirements set forth in NRS 701B.230, 701B.610 and 701B.850. The Commission shall review and approve any plan submitted pursuant to this subsection in accordance with the requirements of NRS 701B.230, 701B.610 and 701B.850, as applicable.

6. As used in this section:
   (a) "Distributed generation system" has the meaning ascribed to it in NRS 701B.055.
   (b) "Municipality" means any county or city in this State.
   (c) "Utility" means a public utility that supplies electricity in this State.

Sec. 2. NRS 701B.200 is hereby amended to read as follows:

701B.200 The Commission shall adopt regulations necessary to carry out the provisions of NRS 701B.010 to 701B.290, inclusive, including, without limitation, regulations that:

1. Establish the type of incentives available to participants in the Solar Program and the level or amount of those incentives. The incentives must be market-based incentives that:
   (a) Do not exceed:
      (1) Seventy-five percent of the installed cost of a solar energy system or distributed generation system to a public entity or nonprofit organization, excluding the cost of labor, as determined by using the average installed cost of solar energy systems or distributed generation systems, as applicable, to public entities and nonprofit organizations installed in the immediately preceding year; or
      (2) Fifty percent of the installed cost of a solar energy system or distributed generation system to a person other than a public entity or nonprofit organization, excluding the cost of labor, as determined by using the average installed cost of solar energy systems or distributed generation systems, as applicable, to such persons installed in the immediately preceding year;
   (b) Are designed to maximize the number of customer categories participating in the Solar Program based on demographics and location,
including, without limitation, categories for public entities, customers of lower socioeconomic status, nonprofit organizations and commercial, industrial and residential customers; and

c) Provide for a sustainable Solar Program that maintains sufficient customer participation and that provides for the measured award of incentives to as many participants as possible on or before December 31, 2021.

2. Establish the requirements for a utility’s annual plan for carrying out and administering the Solar Program. A utility’s annual plan must include, without limitation:
   (a) A detailed plan for advertising the Solar Program;
   (b) A detailed budget and schedule for carrying out and administering the Solar Program;
   (c) A detailed account of administrative processes and forms that will be used to carry out and administer the Solar Program, including, without limitation, a description of the application process and copies of all applications and any other forms that are necessary to apply for and participate in the Solar Program;
   (d) A detailed account of the procedures that will be used for inspection and verification of a participant’s solar energy system and compliance with the Solar Program;
   (e) A detailed account of training and educational activities that will be used to carry out and administer the Solar Program;
   (f) Any other information that the Commission requires from the utility as part of the administration of the Solar Program; and
   (g) Any other information required by the Commission.

3. Authorize a utility to recover the reasonable costs incurred in carrying out and administering the installation of distributed generation systems.

Sec. 3. [Chapter 704 of NRS is hereby amended by adding thereto the provisions set forth as sections 4 to 12, inclusive, of this act.] (Deleted by amendment.)

Sec. 4. [As used in NRS 704.785 and 704.786 and sections 4 to 12, inclusive, of this act unless the context otherwise requires, the words and terms defined in sections 5 to 9, inclusive, of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)

Sec. 5. [“Electric utility” has the meaning ascribed to it in NRS 704.187.] (Deleted by amendment.)

Sec. 6. [“Energy efficiency and conservation program” means a program for residential customers of an electric utility which reduces the consumption of electricity or any fossil fuel and which includes without limitation, the use of new solar thermal energy sources.

2. The term does not include an energy efficiency resource plan.]
Sec. 7. 1. “Energy efficiency measure” means any measure designed, intended or used to improve energy efficiency that is intended to provide, as part of an energy efficiency resource plan, a reduction in energy consumption by a retail customer of an electric utility.

2. The term includes, without limitation, a demand response measure or load limiting measure that shifts the consumption of energy by a retail customer from one period to another period.

3. The term does not include the implementation or assessment of any rate which is based on the time of day, day of the week or time of year during which the electricity is used or which otherwise varies based upon the time during which the electricity is used.

Sec. 8. “Energy efficiency resource plan” means a plan developed by an electric utility pursuant to section 10 of this act.

Sec. 9. “Plan year” means the period of July 1 to June 30 of the following year.

Sec. 10. 1. For each plan year beginning on July 1, 2016, and ending on June 30, 2025, each electric utility shall develop and submit to the Commission for approval an energy efficiency resource plan for the purpose of encouraging a reduction in the consumption of energy by the retail customers of the electric utility through the purchase, installation and implementation of energy efficiency measures.

2. The Commission shall, for each electric utility, approve an energy efficiency resource plan submitted pursuant to subsection 1 that meets the criteria established by the Commission by regulation unless the electric utility provides proof satisfactory to the Commission that developing and implementing an energy efficiency resource plan is unreasonably burdensome to the electric utility or not cost effective for the electric utility or its retail customers.

3. Except as otherwise provided in paragraph (a) of subsection 2 of section 12 of this act, an energy efficiency resource plan approved pursuant to subsection 2 must provide for the reimbursement by an electric utility, in whole or in part, of the costs for the purchase, installation or implementation of energy efficiency measures by the retail customers of the electric utility in a cumulative amount equal to or greater than 1 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility in the immediately preceding plan year.

Sec. 11. 1. In addition to the recovery of costs by an electric utility for the implementation of an energy efficiency resource plan pursuant to NRS 704.785, an electric utility may, if in a plan year the electric utility meets or exceeds the reimbursement requirement of an energy efficiency resource plan...
approved by the Commission pursuant to subsection 2 of section 10 of this act, recover for that plan year a performance-based incentive in accordance with subsection 2. To be eligible to receive the performance-based incentive, an electric utility must submit to the Commission at the end of a plan year an application for the recovery of the performance-based incentive which:

(a) Identifies the gross sales of electricity by the electric utility to the retail customers of the electric utility during the plan year.

(b) Identifies the cumulative amount of reimbursements by the electric utility under the energy efficiency resource plan implemented during the plan year.

(c) Includes a calculation of the amount of any performance-based incentive to which the electric utility may be entitled pursuant to subsection 2.

2. Unless the Commission adopts regulations pursuant to subsection 2 of section 12 of this act which require a greater cumulative amount of reimbursements by an electric utility or which provide for a performance-based incentive in a greater amount, if the Commission approves an application submitted pursuant to subsection 1, an electric utility is entitled to receive, if the cumulative amount of reimbursements by the electric utility to the retail customers of the electric utility under an energy efficiency resource plan are:

(a) Equal to or greater than 1 percent but less than 1.2 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-based incentive in an amount equal to 5 percent of the amount reimbursed by the electric utility.

(b) Equal to or greater than 1.2 percent but less than 1.4 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-based incentive in an amount equal to 6 percent of the amount reimbursed by the electric utility.

(c) Equal to or greater than 1.4 percent but less than 1.6 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-based incentive in an amount equal to 7 percent of the amount reimbursed by the electric utility.

(d) Equal to or greater than 1.6 percent but less than 1.8 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-based incentive in an amount equal to 8 percent of the amount reimbursed by the electric utility.

(e) Equal to or greater than 1.8 percent but less than 2 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-
based incentive in an amount equal to 9 percent of the amount reimbursed by the electric utility.

(f) Equal to or greater than 2 percent of the gross sales of electricity by the electric utility to the retail customers of the electric utility during the immediately preceding plan year, a performance-based incentive in an amount equal to 10 percent of the amount reimbursed by the electric utility.

[Deleted by amendment.]

Sec. 12. 1. The Commission shall adopt regulations establishing:

(a) Criteria for the evaluation of the cost effectiveness of the implementation of an energy efficiency resource plan to an electric utility and the retail customers of the electric utility.

(b) The process for reviewing and approving the application of an electric utility to receive a performance-based incentive submitted pursuant to subsection 1 of section 11 of this act.

(c) The manner in which a performance-based incentive is incrementally distributed to an electric utility during the next ensuing plan year.

(d) Any performance standards or other criteria that are necessary to evaluate the success of energy efficiency resource plans.

2. The Commission may adopt regulations which provide for an increase from year to year in:

(a) The cumulative amount of the reimbursement that is required under an energy efficiency resource plan pursuant to subsection 3 of section 10 of this act if the Commission determines that the increase is feasible and cost-effective for the electric utility and retail customers of the electric utility.

(b) The amount of a performance-based incentive to which an eligible electric utility may be entitled pursuant to subsection 2 of section 11 of this act.

[Deleted by amendment.]

Sec. 13. [NRS 704.741 is hereby amended to read as follows:

704.741 1. A utility which supplies electricity in this State shall, on or before July 1 of every third year, in the manner specified by the Commission, submit a plan to increase its supply of electricity or decrease the demands made on its system by its customers to the Commission.

2. The Commission shall, by regulation:

(a) Prescribe the contents of such a plan, including, but not limited to, the methods or formulas which are used by the utility to:

1. Forecast the future demands; and

2. Determine the best combination of sources of supply to meet the demands or the best method to reduce them; and

(b) Designate renewable energy zones and revise the designated renewable energy zones as the Commission deems necessary.

3. The Commission shall require the utility to include in its plan:

(a) An energy efficiency and conservation program for residential
customers which reduces the consumption of electricity or any fossil fuel and which includes, without limitation, the use of new solar thermal energy sources; and

(b) A comparison of a diverse set of scenarios of the best combination of sources of supply to meet the demands or the best methods to reduce the demands, which must include at least one scenario of low carbon intensity.

4. The Commission shall require the utility to include in its plan a plan for construction or expansion of transmission facilities to serve renewable energy zones and to facilitate the utility in meeting the portfolio standard established by NRS 704.7821.

5. As used in this section:

(a) "Carbon intensity" means the amount of carbon by weight emitted per unit of energy consumed.

(b) "Renewable energy zones" mean specific geographic zones where renewable energy resources are sufficient to develop generation capacity and where transmission constrains the delivery of electricity from those resources to customers. (Deleted by amendment.)

Sec. 14. [NRS 704.785 is hereby amended to read as follows:]

1. The Commission shall adopt regulations authorizing an electric utility to recover an amount based on the measurable and verifiable effects of the implementation by the electric utility of an energy efficiency resource plan and energy efficiency and conservation programs approved by the Commission, which:

(a) Must include:

(1) The costs reasonably incurred by the electric utility in implementing and administering the energy efficiency resource plan and energy efficiency and conservation programs; and

(2) Any financial disincentives relating to other supply alternatives caused or created by the reasonable implementation of the energy efficiency resource plan or energy efficiency and conservation programs; and

(b) May include any financial incentives to support the promotion of the participation of the customers of the electric utility in the energy efficiency resource plan or energy efficiency and conservation programs.

2. When considering whether to approve an energy efficiency resource plan or energy efficiency or conservation program proposed by an electric utility as part of a plan filed pursuant to NRS 704.741, the Commission shall consider the effect of any recovery by the electric utility pursuant to this section on the rates of the customers of the electric utility.

3. The regulations adopted pursuant to this section must not:

(a) Affect the electric utility's incentives and allowed returns in areas not affected by the implementation of an energy efficiency resource plan or energy efficiency and conservation programs; or

(b) Authorize the electric utility to earn more than the rate of return
authorized by the Commission in the most recently completed rate case of the electric utility.

[4. As used in this section, “electric utility” has the meaning ascribed to it in NRS 704.187.] (Deleted by amendment.)

Sec. 15. 1. The Public Utilities Commission of Nevada shall take into account the gross sales of electricity by electric utilities in this State and the growth in the customer base of such electric utilities during a test year beginning on July 1, 2015, and ending on June 30, 2016, for the purposes of establishing any energy efficiency goals, the requirements for reimbursements under an energy efficiency resource plan and the payment of performance-based incentives to an electric utility in accordance with sections 4 to 12, inclusive, of this act.

2. As used in this section:
   (a) “Electric utility” has the meaning ascribed to it in section 5 of this act.
   (b) “Energy efficiency resource plan” has the meaning ascribed to in section 8 of this act. (Deleted by amendment.)

Sec. 15.5. NRS 704.786 is hereby repealed.

Sec. 16. 1. This act becomes effective:
   (a) Upon passage and approval for the purpose of performing any preparatory administrative tasks necessary to carry out the provisions of this act; and
   (b) On July 1, 2015, for all other purposes.

2. This act expires by limitation on December 31, 2025.

TEXT OF REPEALED SECTION

704.786 Lower Income Solar Energy Pilot Program: Creation required by each electric utility in State.

1. Each electric utility in this State shall create a Lower Income Solar Energy Pilot Program for the purpose of installing, before January 1, 2017, distributed generation systems with a cumulative capacity of at least 1 megawatt at locations throughout its service territory which benefit low-income customers, including, without limitation, homeless shelters, low-income housing developments and schools with significant populations of low-income pupils. Each electric utility shall submit the Program as part of its annual plan submitted pursuant to NRS 701B.230. The Commission shall approve the Program with such modifications and upon such terms and conditions as the Commission deems necessary or appropriate to enable the Program to meet the purposes set forth in this subsection.

2. The Office of Energy shall advise the Commission and each electric utility regarding grants and other sources of money available to defray the costs of the Program.

3. As used in this section, “distributed generation system” has the meaning ascribed to it in NRS 701B.055.

Senator Settelmeyer moved the adoption of the amendment.
Remarks by Senator Settelmeyer.

SENATOR SETTELMEYER:

Amendment No. 462 makes five changes to Senate Bill No. 282. The amendment:
1) Authorizes the Public Utilities Commission of Nevada to allocate the payment of not more than $2 million per year;
2) Deletes “multifamily and single family,” and adds “other than municipalities;”
3) Deletes the requirement that incentives available to a public entity or nonprofit under the Solar Program must account for the labor costs with respect to the installed cost of the solar energy system or distributed generation system;
4) Deletes sections of the bill requiring an electric utility to develop and implement an energy efficiency resource plan; and
5) repeals the Lower Income Solar Energy Pilot Program, which is duplicative in the bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 341.

Bill read second time.

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

Amendment No. 482.

SUMMARY—Revises provisions relating to plans for dental care. (BDR 57-261)

AN ACT relating to plans for dental care; revising provisions relating to insurers who offer individual health insurance, insurers who offer group health insurance, nonprofit corporations for dental service, health maintenance organizations and organizations for dental care; establishing requirements relating to the use of a network of dentists by a third party; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Under existing law, a person who wishes to provide coverage for dental care may obtain a certificate of authority from the Commissioner of Insurance and may contract with dentists to provide dental care. (NRS 695D.110, 695D.225) This Section 10 of this bill requires that a notice containing certain information be provided to a dentist relating to agreements between an organization for dental care and which enters into an agreement with a third party to provide access to dentists to comply with certain requirements. Section 11 of this bill requires the organization for dental care to provide the dentist with a notice containing certain information. Section 11 also requires such a third party to comply with any applicable provisions in the contract between an organization for dental care and a dentist as if the third party were the organization for dental care; furnish certain information to dentists; and maintain a website or toll-free telephone number for dentists to obtain contact information for the person used by the third party to reimburse the dentist for covered services. This bill Section 11 also allows a dentist to decline to provide services pursuant to a plan for dental care operated by a third party if the dentist does not have the capacity to care for the additional patients. It prohibits the
assignment or sale of a contract which includes a dentist that would hinder
the ability of the dentist to manage his or her practice. Sections 1 and 2 of
this bill apply similar provisions to an insurer who offers a policy of
individual health insurance. Sections 4 and 5 of this bill apply similar
provisions to an insurer who offers a policy of group health insurance.
Sections 6 and 7 of this bill apply similar provisions to a nonprofit
corporation for dental service. Sections 8 and 9 of this bill apply similar
provisions to a health maintenance organization.
THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:
Section 1. Chapter 689A of NRS is hereby amended by adding thereto a
new section to read as follows:
For the purpose of the contract between an insurer and a dentist, a third
party who enters into an agreement with an insurer to access dentists within
a network of dentists maintained by the insurer shall comply with the
provisions of NRS 689A.035.
Sec. 2. NRS 689A.035 is hereby amended to read as follows:
689A.035  1. An insurer shall not charge a provider of health care a fee
to include the name of the provider on a list of providers of health care given
by the insurer to its insureds.
2. An insurer shall not contract with a provider of health care to provide
health care to an insured unless the insurer uses the form prescribed by the
Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.
3. A contract between an insurer and a provider of health care may be
modified:
(a) At any time pursuant to a written agreement executed by both parties.
(b) Except as otherwise provided in this paragraph, by the insurer upon
giving to the provider 45 days’ written notice of the modification of the
insurer’s schedule of payments, including any changes to the fee schedule
applicable to the provider’s practice. If the provider fails to object in writing
to the modification within the 45-day period, the modification becomes
effective at the end of that period. If the provider objects in writing to the
modification within the 45-day period, the modification must not become
effective unless agreed to by both parties as described in paragraph (a).
4. If an insurer contracts with a provider of health care to provide health
care to an insured, the insurer shall:
(a) If requested by the provider of health care at the time the contract is
made, submit to the provider of health care the schedule of payments
applicable to the provider of health care; or
(b) If requested by the provider of health care at any other time, submit to
the provider of health care the schedule of payments, including any changes
to the fee schedule applicable to the provider’s practice, specified in paragraph (a) within 7 days after receiving the request.

5. If an insurer contracts with a dentist, the insurer shall, before entering into the contract and before executing an agreement with a third party to provide access to dentists within the network of dentists maintained by the insurer, provide the dentist with a notice. The notice must be in a form prescribed by the Commissioner and include, without limitation:
   (a) The name of each third party to whom a contract which includes the dentist has been assigned or sold;
   (b) Information about each policy of health insurance offered by a third party, including, without limitation, contact information for the third party and the procedure for submitting claims for payment to the third party; and
   (c) The approximate number of members in each network of dentists or policy of health insurance, including any policy operated by a third party. If the actual number of members in a network of dentists or such a policy is not available, the insurer or third party, as appropriate, shall estimate the number to the best of its ability.

6. A third party who enters into an agreement with an insurer to access dentists within a network of dentists maintained by the insurer shall maintain an Internet website or a toll-free telephone number through which a dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.

7. The assignment or sale of a contract which includes a dentist to a third party must not hinder the ability of the dentist to manage his or her practice, including, without limitation, his or her ability to schedule patients.

8. The provisions of this section do not require an insurer to provide a notice to a dentist when the insurer issues a policy to an insured.

9. As used in this section:
   (a) “Covered service” has the meaning ascribed to it in NRS 695D.227.
   (b) “Provider of health care” means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 3. NRS 689A.330 is hereby amended to read as follows:

689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive, and section 1 of this act.

Sec. 4. Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:

For the purpose of the contract between an insurer that issues a policy of
group health insurance and a dentist, a third party who enters into an agreement with the insurer to access dentists within a network of dentists maintained by the insurer shall comply with the provisions of NRS 689B.015.

Sec. 5. NRS 689B.015 is hereby amended to read as follows:

689B.015 1. An insurer that issues a policy of group health insurance shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the insurer to its insureds.

2. An insurer specified in subsection 1 shall not contract with a provider of health care to provide health care to an insured unless the insurer uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between an insurer specified in subsection 1 and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the insurer upon giving to the provider 45 days’ written notice of the modification of the insurer’s schedule of payments, including any changes to the fee schedule applicable to the provider’s practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If an insurer specified in subsection 1 contracts with a provider of health care to provide health care to an insured, the insurer shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider’s practice, specified in paragraph (a) within 7 days after receiving the request.

5. If an insurer specified in subsection 1 contracts with a dentist, the insurer shall, before entering into the contract and before executing an agreement with a third party to provide access to dentists within the network of dentists maintained by the insurer, provide the dentist with a notice. The notice must be in a form prescribed by the Commissioner and include, without limitation:
   (a) The name of each third party to whom a contract which includes the dentist has been assigned or sold;
   (b) Information about each policy of group health insurance offered by a third party, including, without limitation, contact information for the third party and the procedure for submitting claims for payment to the third party; and
(c) The approximate number of members in each network of dentists or policy of group health insurance, including any policy operated by a third party. If the actual number of members in a network of dentists or such a policy is not available, the insurer or third party, as appropriate, shall estimate the number to the best of its ability.

6. A third party who enters into an agreement with an insurer specified in subsection 1 to access dentists within a network of dentists maintained by the insurer shall maintain an Internet website or a toll-free telephone number through which a dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.

7. The assignment or sale of a contract which includes a dentist to a third party must not hinder the ability of the dentist to manage his or her practice, including, without limitation, his or her ability to schedule patients.

8. The provisions of this section do not require an insurer specified in subsection 1 to provide a notice to a dentist when the insurer issues a policy to a group.

9. As used in this section: [“provider”:

(a) “Covered service” has the meaning ascribed to it in NRS 695D.227.

(b) “Provider of health care” means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 6. Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:

For the purpose of the contract between a corporation subject to the provisions of this chapter and a dentist, a third party who enters into an agreement with the corporation to access dentists within a network of dentists maintained by the corporation shall comply with the provisions of NRS 695B.035.

Sec. 7. NRS 695B.035 is hereby amended to read as follows:

695B.035  1. A corporation subject to the provisions of this chapter shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the corporation to its insureds.

2. A corporation specified in subsection 1 shall not contract with a provider of health care to provide health care to an insured unless the corporation uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between a corporation specified in subsection 1 and a provider of health care may be modified:

(a) At any time pursuant to a written agreement executed by both parties.

(b) Except as otherwise provided in this paragraph, by the corporation
upon giving to the provider 45 days’ written notice of the modification of the corporation’s schedule of payments, including any changes to the fee schedule applicable to the provider’s practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If a corporation specified in subsection 1 contracts with a provider of health care to provide health care to an insured, the corporation shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider’s practice, specified in paragraph (a) within 7 days after receiving the request.

5. If a corporation specified in subsection 1 contracts with a dentist, the corporation shall, before entering into the contract and before executing an agreement with a third party to provide access to dentists within the network of dentists maintained by the corporation, provide the dentist with a notice. The notice must be in a form prescribed by the Commissioner and include, without limitation:
   (a) The name of each third party to whom a contract which includes the dentist has been assigned or sold;
   (b) Information about each contract for dental services offered by a third party, including, without limitation, contact information for the third party and the procedure for submitting claims for payment to the third party; and
   (c) The approximate number of members in each network of dentists or contract for dental services, including any contract for dental services operated by a third party. If the actual number of members in a network of dentists or a contract for dental services is not available, the corporation or third party, as appropriate, shall estimate the number to the best of its ability.

6. A third party who enters into an agreement with a corporation specified in subsection 1 to access dentists within a network of dentists maintained by the corporation shall maintain an Internet website or a toll-free telephone number through which a dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.

7. The assignment or sale of a contract which includes a dentist to a third party must not hinder the ability of the dentist to manage his or her practice, including, without limitation, his or her ability to schedule patients.
8. The provisions of this section do not require a corporation specified in subsection 1 to provide a notice to a dentist when the corporation issues a contract for dental services to an insured or employer.

9. As used in this section ["provider ":
(a) "Covered service" has the meaning ascribed to it in NRS 695D.227.
(b) "Provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 8. Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:
For the purpose of the contract between a health maintenance organization and a dentist, a third party who enters into an agreement with a health maintenance organization to access dentists within a network of dentists maintained by the health maintenance organization shall comply with the provisions of NRS 695C.125.

Sec. 9. NRS 695C.125 is hereby amended to read as follows:
695C.125 1. A health maintenance organization shall not contract with a provider of health care to provide health care to an insured unless the health maintenance organization uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.
2. A contract between a health maintenance organization and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the health maintenance organization upon giving to the provider 45 days’ written notice of the modification of the health maintenance organization’s schedule of payments, including any changes to the fee schedule applicable to the provider’s practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).
3. If a health maintenance organization contracts with a provider of health care to provide health care to an enrollee, the health maintenance organization shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider’s practice, specified in paragraph (a) within 7 days after receiving the request.
4. If a health maintenance organization contracts with a dentist, the health maintenance organization shall, before entering into the contract and before executing an agreement with a third party to provide access to dentists within the network of dentists maintained by the health maintenance organization, provide the dentist with a notice. The notice must be in a form prescribed by the Commissioner and include, without limitation:
   (a) The name of each third party to whom a contract which includes the dentist has been assigned or sold;
   (b) Information about each health care plan offered by a third party, including, without limitation, contact information for the third party and the procedure for submitting claims for payment to the third party; and
   (c) The approximate number of members in each network of dentists or health care plan, including any health care plans operated by a third party. If the actual number of members in a network of dentists or a health care plan is not available, the health maintenance organization or third party, as appropriate, shall estimate the number to the best of its ability.

5. A third party who enters into an agreement with a health maintenance organization to access dentists within a network of dentists maintained by the health maintenance organization shall maintain an Internet website or a toll-free telephone number through which a dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.

6. The assignment or sale of a contract which includes a dentist to a third party must not hinder the ability of the dentist to manage his or her practice, including, without limitation, his or her ability to schedule patients.

7. The provisions of this section do not require a health maintenance organization to provide a notice to a dentist when the health maintenance organization issues a health care plan to an enrollee or employer.

8. As used in this section,[*“provider”*] :
   (a) “Covered service” has the meaning ascribed to it in NRS 695D.227.
   (b) “Provider of health care” means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

[Section 1] Sec. 10. Chapter 695D of NRS is hereby amended by adding thereto a new section to read as follows:

[*“provider”*] At the time an organization for dental care enters into a contract with a dentist and upon request by a dentist with whom an organization for dental care has entered into such a contract, the organization for dental care shall provide the dentist with a notice relating to agreements with third parties to provide access to dentists within the network of dentists maintained by the organization for dental care. The organization for dental care may only offer the services of the dentist within a network of dentists to a third party if the contract with the dentist expressly authorizes the organization for dental care to do so.
2. The notice required pursuant to subsection 1 must be in bold type and written in plain terms and include, without limitation:

(a) The name of each network of dentists or plan for dental care, including any plans for dental care offered by a third party, in which the dentist would be included;

(b) Information about each plan for dental care offered by a third party, including, without limitation, contact information for the third party, the procedure for submitting claims for payment to the third party and an explanation of the benefits offered under the plan for dental care; and

(c) The approximate number of members in each network of dentists or plan for dental care, including any plans for dental care operated by a third party. If the actual number of members in a network of dentists or a plan for dental care is not available, the organization for dental care or third party, as appropriate, shall estimate the number to the best of its ability.

3. For the purpose of the contract between an organization for dental care and a dentist, a third party who enters into an agreement with an organization for dental care to access dentists within a network of dentists maintained by the organization for dental care shall be deemed to be the organization for dental care and shall comply with all applicable provisions of the contract, including, without limitation, all requirements to encourage access to the dentist and to pay the dentist according to the rates and methodology set forth in the contract unless the dentist separately agrees to different terms. The third party shall furnish the dentist with an explanation of benefits and information on how to submit claims for payment and shall identify the contractual source of any discount.

4. A third party who enters into an agreement with an organization for dental care to access dentists within a network of dentists maintained by the organization for dental care shall maintain a website or a toll-free telephone number through which the dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.

5. Within 30 days after receiving a notice pursuant to subsection 1, a dentist may, for the reason of a lack of capacity to care for additional patients, notify the organization for dental care that he or she will not provide services pursuant to any plan for dental care operated by a third party. The unrelated provisions of the contract between a dentist who opts out of providing services pursuant to a plan for dental care operated by a third party and an organization for dental care are unaffected by the decision of a dentist pursuant to this subsection.

6. As used in this section, “covered service” has the meaning ascribed to it in NRS 695D.227 and comply with the provisions of NRS 695D.225.

Sec. 11. NRS 695D.225 is hereby amended to read as follows:
695D.225 1. Except as otherwise provided in NRS 695D.227, a contract between an organization for dental care and a dentist may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the organization for dental care upon giving to the dentist 45 days’ written notice of the modification of the organization for dental care’s schedule of payments, including any changes to the fee schedule applicable to the dentist’s practice. If the dentist fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the dentist objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

2. If an organization for dental care contracts with a dentist, the organization for dental care shall:
   (a) If requested by the dentist at the time the contract is made, submit to the dentist the schedule of payments applicable to the dentist; or
   (b) If requested by the dentist at any other time, submit to the dentist the schedule of payments, including any changes to the fee schedule applicable to the dentist’s practice, specified in paragraph (a) within 7 days after receiving the request.

3. If an organization for dental care contracts with a dentist, the organization for dental care shall, before entering into the contract and before executing an agreement with a third party to provide access to dentists within the network of dentists maintained by the organization for dental care, provide the dentist with a notice. The notice must be in a form prescribed by the Commissioner and include, without limitation:
   (a) The name of each third party to whom a contract which includes the dentist has been assigned or sold;
   (b) Information about each plan for dental care offered by a third party, including, without limitation, contact information for the third party and the procedure for submitting claims for payment to the third party; and
   (c) The approximate number of members in each network of dentists or plan for dental care, including any plans for dental care operated by a third party. If the actual number of members in a network of dentists or a plan for dental care is not available, the organization for dental care or third party, as appropriate, shall estimate the number to the best of its ability.

4. A third party who enters into an agreement with an organization for dental care to access dentists within a network of dentists maintained by the organization for dental care shall maintain an Internet website or a toll-free telephone number through which a dentist may obtain the name, address and telephone number of the person used by the third party to reimburse the dentist for covered services.
5. The assignment or sale of a contract which includes a dentist to a third party must not hinder the ability of the dentist to manage his or her practice, including, without limitation, his or her ability to schedule patients.

6. The provisions of this section do not require an organization for dental care to provide a notice to a dentist when the organization for dental care issues a plan for dental care to a member or employer.

7. The provisions of this section do not apply to an organization for dental care that provides services to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children’s Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt an organization for dental care from any provision of this chapter for services provided pursuant to any other contract.

8. As used in this section, “covered service” has the meaning ascribed to it in NRS 695D.227.

Senator Settelmeyer moved the adoption of the amendment.
Remarks by Senators Settelmeyer and Smith.

SENATOR SETTELMEYER:
Amendment No. 482 makes three changes to Senate Bill no. 341. The amendment: 1) requires an organization for dental care, which enters into an agreement with a third party, to provide the dentist with a notice containing certain information; 2) prohibits the assignment or sale of a contract, which includes a dentist, that would hinder the ability of the dentist to manage his or her office; and 3) applies similar provisions to an insurer who offers a policy of individual health or group health insurance, a nonprofit corporation for dental service, and a health maintenance organization.

SENATOR SMITH:
I rise in support of this amendment and wanted to let the body know it’s not “soup” yet but all of the parties are still working on it in good faith.

SENATOR SETTELMEYER:
I appreciate and concur with my colleague from Washoe County however it will be interesting to let the Assembly try to fix it.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES
Senator Kieckhefer moved that Senate Bill No. 282 be re-referred to the Committee on Finance, upon return from reprint.
Motion carried.

GENERAL FILE AND THIRD READING
Senate Bill No. 19.
Bill read third time.
SENATOR BROWER:
Senate Bill No. 19 allows a board of trustees of a school district in Nevada to submit an advisory question on a general election ballot. The measure limits this submission to one advisory question per general election.

Roll call on Senate Bill No. 19:
YEAS—21.
NAYS—None.

Senate Bill No. 19 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 403.
Bill read third time.
SENATOR FARLEY:
Amendment No. 579 to Senate Bill 403: gives the district court discretion by allowing the court to require a candidate who has been found in violation of the candidate residency requirement to reimburse all or a portion of the contributions to the contributor; clarifies when a candidate may dispose of his or her unspent contributions, if the candidate has been found to have violated the candidate residency requirement and ordered to return his or her contributions to donors; clarifies when a person is not eligible to be seated as a legislator as result of his or her lack of qualifications required for the position or because he or she was found by a court to be disqualified from being a legislator; and adds language describing the residency and eligibility requirements in the declaration of candidacy provisions as well as in any guides, handbooks, or other informational materials prepared for candidates by the Secretary of State.

SENATOR ATKINSON:
I would like to make sure that on page 11, lines 2 – 9, this amendment seeks to clarify who determines the amount. It seems like this says the court determines the amount, which I am comfortable with, but I would like to clarify that.

SENATOR FARLEY:
You are correct. The judge will make the determination of how much of the campaign contributions the actual candidate who has been found ineligible or in violation of the law will have to pay back. It can also be donated to charity if that is agreed to by the donor.

Roll call on Senate Bill No. 403:
YEAS—21.
NAYS—None.

Senate Bill No. 403 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 447.
Bill read third time.
SENATOR BROWER:
Senate Bill No. 447 makes it unlawful to counterfeit, forge, or possess with the intent to use a counterfeit or forged medical marijuana registry letter of approval intended for certain applicants who are under ten years of age. In order to receive a letter of approval, a person’s application must be approved by the Division of Public and Behavioral Health and the person’s custodial
parent or legal guardian must agree to serve as the person’s primary caregiver, and the Division is required to issue the primary caregiver a registry identification card. The bill also defines concentrated cannabis and makes knowingly or intentionally extracting concentrated cannabis a category C felony except as specifically authorized by State law.

Provisions governing the return of seized marijuana, marijuana plants, drug paraphernalia, and other related property to a person who is found to be engaging in or assisting in the use of medical marijuana are revised such that the property will be returned upon a decision not to prosecute, a dismissal of charges, or an acquittal, rather than on a determination by a district attorney. Additionally, a person who holds a medical marijuana registry card or letter of approval is not exempt from laws prohibiting possession of marijuana or paraphernalia on school property.

Senate Bill No. 447 also provides that the contents of any tool used by the Division of Public and Behavioral Health to evaluate an applicant or its affiliate relating to medical marijuana are confidential. Nor may the Division disclose any information, documents, or communications it receives from an applicant or its affiliate without receiving either written consent from the concerned party or a court order. Finally, the bill allows a law enforcement agency to adopt policies or procedures to preclude an employee from using medical marijuana. This bill is effective on July 1, 2015.

SENATOR BROWER:
Thank you Mr. President. Thanks to the sponsor. I am actually going to vote for the bill. I voted against it in committee, but it is my fault because I hadn’t been active in the process, so I apologize for that. I do think that it over criminalizes some aspects and so I will be trying to work with the other house to try and reduce those penalties, but it also has some great transparency issues. As you know when we did those dispensaries, when they were announced, a lot of them failed to disclose who they were and we couldn’t tell what their names were, who owned them, what their ranking was and this will address that issue. So from that perspective, it is very good. But I will be voting yes, thank you.

Roll call on Senate Bill No. 447:
YEAS—21.
NAYS—None.

Senate Bill No. 447 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senator Roberson moved that the Senate recess subject to the call of the Chair.
Motion carried.

Senate in recess at 2:37 P.M.

SENATE IN SESSION

At 3:48 p.m.
President Hutchison presiding.
Quorum present.
MOTIONS, RESOLUTIONS AND NOTICES

Senator Kieckhefer moved that Senate Joint Resolution No. 3 be taken from the Secretary’s Desk and placed on the bottom of the General File, this agenda,

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 254.
Bill read third time.
Remarks by Senator Farley.

Amendment No. 633 to Senate Bill No. 254 reduces the amount of retainage allowed on private construction projects from 10 percent to 5 percent after completion of 50 percent of the project, except for horizontal construction projects, such as highways and bridges, which are still subject to the 10 percent retainage limit throughout the duration of the project.

It also provides that an owner or higher-tiered contractor may increase the reduced retainage back to not more than 10 percent under certain circumstances.

Roll call on Senate Bill No. 254:

YEAS—21.
NAYS—None.

Senate Bill No. 254 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 330.
Bill read third time.
Remarks by Senators Lipparelli and Ford.

SENATOR LIPARELLI:

In further discussions with the NIAA Amendment No. 635 to Senate Bill No. 330 essentially changes the requirement of a hearing officer and acknowledges that a hearing’s officer is already provided in the Nevada Administrative code but it adds to the bill that the decisions of the NIAA hearing’s officer would become a public document following redaction of the underage or student’s name from the record. I think it is a positive change to the bill.

SENATOR SEGERBLOM:

In looking at the amendment, it appears that the hearing’s officer will be appointed by the executive director, is that correct?

SENATOR LIPARELLI:

There is already a process, according to the NIAA, for the appointment of the hearing’s officer as well as for the appointment of a panel to the Clark County School District. The quick answer to your question is, yes, in the case non-Clark County locations, hearing’s officers would be appointed by the executive director.

SENATOR SEGERBLOM:

There is a concern when the executive director picks the judge as to whether the judge will be independent. I am sure you have looked at that issue and at least for southern Nevada you have a solution.

Roll call on Senate Bill No. 330:

YEAS—21.
NAYS—None.
Senate Bill No. 330 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 341.
Bill read third time.
SENATOR SETTLEMeyer:
Amendment No. 482 makes three changes to Senate Bill no. 341. The amendment: 1) requires an organization for dental care, which enters into an agreement with a third party, to provide the dentist with a notice containing certain information; 2) prohibits the assignment or sale of a contract, which includes a dentist, that would hinder the ability of the dentist to manage his or her office; and 3) applies similar provisions to an insurer who offers a policy of individual health or group health insurance, a nonprofit corporation for dental service, and a health maintenance organization.

SENATOR SMITH:
I rise in support of this amendment and wanted to let the body know it’s not “soup” yet but all of the parties are still working on it in good faith.

SENATOR SETTLEMeyer:
I appreciate and concur with my colleague from Washoe County however it will be interesting to let the Assembly try to fix it.

Roll call on Senate Bill No. 341:
YEAS—21.
NAYS—None.

Senate Bill No. 341 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 457.
Bill read third time.
SENATOR HAMMOND:
Senate Bill No. 457 creates the Nevada High-Speed Rail Authority, which is responsible for pursuing the implementation of the Nevada High-Speed Rail System connecting southern Nevada and southern California. The Authority must select a franchisee to construct and operate the high-speed rail system based on specific criteria. The franchisee may, with the assistance of the Authority, acquire land for rights-of-way, conduct studies, issue debt, and enter into governmental agreements for the construction and implementation of the system. The Authority may issue bonds, notes, or obligations and enter into agreements, among other things. This bill is effective upon passage and approval.

Roll call on Senate Bill No. 457:
YEAS—20.
NAYS—None.
NOT VOTING—Parks.

Senate Bill No. 457 having received a constitutional majority, Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.
Senate Bill No. 463.
Bill read third time.

SENATOR GUSTAVSON:
Senate Bill No. 463 declares that it is the public policy of this State to protect the educational records of pupils, including personal identifiable information (PII) of the pupil, and that such records belong to the pupil and his or her parent or legal guardian. It further declares that the collection of PII must be limited and restricted and that such information must not be used for targeted advertising to minors.

This bill requires the provider of an Internet website, online service, or mobile application that is used in public schools, primarily for educational purposes and at the direction of teachers or other educational personnel, and which collects or maintains PII concerning a student, to provide written disclosure of how the PII is used and secured. The bill limits the collection, use, and transfer of PII by online school service providers, as well as any person or governmental entity to whom the information is disclosed. Use of such information, unless authorized by law, may subject a provider to civil penalties up to $5,000 per incident.

The bill allows the transfer of PII, with certain limitations, and only after notification of the student or his or her parent. It also allows aggregated or de-identified student information to be used for certain purposes and prohibits a person or governmental entity from waiving or modifying the provisions in the bill through a separate contract. Certain students or their parents must be allowed to review, as well as request correction or deletion of, any PII collected by the provider. Deletion may also be requested by the school board of trustees or governing body.

Teachers and other licensed personnel are required to annually complete professional development in the use of online school services and the security of student data. Senate Bill 463 requires a teacher to be suspended, dismissed, or not reemployed and an administrator to be demoted, suspended, dismissed, or not reemployed for breaches in security or confidentiality of certain examinations. This bill is effective on July 1, 2015.

GUSTAVSON REMARKS:
Senate Bill 463 declares that it is the public policy of this State to protect the educational records of pupils, including personal identifiable information (PII) of the pupil, and that such records belong to the pupil and his or her parent or legal guardian. It further declares that the collection of PII must be limited and restricted and that such information must not be used for targeted advertising to minors.

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Teachers and other licensed personnel are required to annually complete professional development in the use of online school services and the security of student data. Senate Bill 463 requires a teacher to be suspended, dismissed, or not reemployed and an administrator to be demoted, suspended, dismissed, or not reemployed for breaches in security or confidentiality of certain examinations. This bill is effective on July 1, 2015.

Senator Ford:
Thank you Mr. President. I rise to clarify or to share information I received upon introduction of the amendment. Just to indicate that my understanding is and I want to confirm on the record that the adoption of the amendment does not create a private right of action, a new private right...
of action for anyone by virtue of the fact that we have now declared who owns the personal data, which everyone knows should be the child and the parent. And that it doesn’t create any new remedies either. So I want to confirm for the record so that we all knew that and there are no misunderstandings about what the adoption of the amendment would accomplish.

**GUSTAVSON REMARKS:**
Yes, we do confirm that.

**Roll call on Senate Bill No. 463:**
**YEAS—21.**
**NAYS—None.**

Senate Bill No. 463 having received a constitutional majority,
Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

**Senate Joint Resolution No. 3.**
Resolution read third time.
Remarks by Senator Atkinson.

**SENATOR ATKINSON:**
Senate Joint Resolution No. 3 proposes to amend the Nevada Constitution to provide that the Lieutenant Governor and Governor shall be elected jointly by each qualified elector who casts a single vote for both candidates running together. If a primary election is held, successful candidates for Governor shall, not later than the first Tuesday after the primary election, designate a candidate for Lieutenant Governor who would be elected jointly with that candidate for Governor. If no primary election is held, candidates for Governor would be required to announce their respective selections for Lieutenant Governor no later than seven days after the candidate filing deadline.

Senate Joint Resolution No. 3 prohibits a person from accepting contributions to a campaign for election to the Office of Lieutenant Governor unless the person has been designated as a candidate for Lieutenant Governor. The resolution specifies that, for the purposes of the campaign contribution limits in the Nevada Constitution, the Office of Governor and the Office of Lieutenant Governor are considered one office and that a contribution to a candidate for either office constitutes a contribution to his or her running mate. Finally, the resolution requires the Legislature to provide by law that contributions and expenditures for both the Governor and Lieutenant Governor must be reported jointly.

If approved from this body it will go before the 2017 Legislative Session and then the measure will move to the 2018 General Election. Mr. President, this measure simply legitimizes the election that kind of happened this last time. Just kidding. I know you have the ability to turn my mic off Mr. President. No, but in all honesty, I just wanted to thank the Lt. Governor for working with us on this bill. We had a few concerns as I brought to the Lt. Governor’s attention and I believe we were able to work on something. As we always have, I have always been able to work with the Lt. Governor pretty well. So I just wanted to say thanks. I know our Majority Leader was doing a lot of thanking earlier, so I wanted to get on record and thank somebody. So thank you Mr. President.

**Roll call on Senate Joint Resolution No. 3:**
**YEAS—21.**
**NAYS—None.**

Senate Joint Resolution No. 3 having received a constitutional majority, Mr. President declared it passed, as amended.
Resolution ordered transmitted to the Assembly.
REMARKS FROM THE FLOOR

President Hutchison requested that his remarks be entered in the Journal.

We have a lot of folks in the gallery related to tourism. I just met with them up in room 3100. Everybody here who is involved in tourism is here for the Legislative Tourism Day in the Senate. Those of you in the Gallery please stand up so we can recognize you and welcome you all to the Senate and thank you all for everything you do.

I would like to give you a little information about what all these folks do and how important tourism is to our State. I have the honor to Chair the Nevada Commission on Tourism. Tourism is our No. 1 industry in the State of Nevada. It accounts for nearly 13 percent of our Gross Domestic Product, compared with the 2.7 percent average across the country. Almost half a million Nevadans are employed in the tourism industry. That is roughly 29 percent of our workforce; and we have increased that by 12,000 jobs over the previous year—53.4 million travelers visited Nevada last year. Travelers in Nevada spent $62.2 billion last year, which was a $3 billion increase. So, our tourism industry is very, very important to the State of Nevada. All you folks up there in the Gallery who make it happen and do so much for us, we appreciate you and recognize you today, so thanks for being here.

Senator Brower requested that his remarks be entered in the Journal.

Thank you very much Mr. President. I just asked for the body’s indulgence for a few minutes. I have been meaning to do this for a couple of weeks now and we have just been a little too busy on the floor. I wanted to just remind the body that we have the privilege currently up on the second floor of having a very important display entitled “Always Lost: A Meditation on War.” I know that we all are busy, we have been busy, each of us probably walks briskly by this display without really bothering to think about it or take a look at it. It contains photographs of each member of our Armed Services who has been killed in the recent wars. It is a memorial depicting individual photographs and the names of each member killed since September 11, 2001.

There are also combat photographs from Iraq and Afghanistan in addition to the individual photographs of the dead service members. There are also original literary works by WNC creative writers, veterans and their families and others. I know that we are busy, but if you could take a minute or two to stop by and take a look at this. We are all quick to support the military members among us and veterans among us and that is a good thing. There’s nothing wrong with that, we support the troops. Whether it is applauding them when they are here, introducing bills, driver’s license bills, license plate bills, other bills; some important, some not so important.

We are all great at supporting those things and that is great. I think that it is appreciated by service members, veterans and their families, but again if you can, take a minute and go up and look at those photos and stare into the eyes looking at you. Think about the sacrifice. Understand that for the thousands of photos that you may see, there are many more thousands who have been wounded, some not so seriously, some permanently whose photos do appear up there and think about those brave men and women as well.

Finally, Mr. President, if I could just take two more minutes of the body’s time. There was in the Wall Street Journal over the weekend, an excerpt from a speech recently given by James Mattis, a retired four-star U.S. Marine Corps General and former commander of the U.S. Central Command. I just wanted to share with the body a couple of brief excerpts and ask the body to think about what the General had to say as perhaps you look the faces on the wall there on the second floor. The General wrote:

For the veterans of the Iraq and Afghanistan wars – poorly explained and inconclusive wars, the first major wars since our Revolution fought without a draft forcing some men into the ranks – the question of what our service meant may loom large in your minds. You without doubt have put something into the nation’s moral bank.

Rest assured that by your service, you sent a necessary message to the world and especially to those maniacs who thought by hurting us that they could scare us.

No granite monuments, regardless of how grandly built, can take the place of your raw example of courage, when in your youth you answered your country’s call. When you looked past the hot political rhetoric. When you voluntarily left behind life’s well-lit avenues. And,
most important, when you made a full personal commitment even while, for over a dozen years, the country’s political leadership had difficulty defining our national level of commitment.

You, my fine veterans, are privileged that you will never face a judgment of having failed to live fully. For you young patriots were more concerned in living life fully than in your own longevity, freely facing daunting odds and the random nature of death and wounds on the battlefield.

So long as you maintain that same commitment to others and that same enthusiasm for life’s challenges that you felt in yourself, your shipmates, your comrades and buddies, you will never question at age 45 on a shrink’s couch whether you have lived. We veterans did our patriotic duty, nothing more, certainly nothing less, and we need to “come home” life veterans of all America’s wars. Come home stronger and more compassionate, not characterized as damaged, or with disorders, or with syndromes or other disease labels. Not labeled dependent on the government even as we take the lead in care of our grievously wounded comrades and hold our Gold Star families close. We deserve nothing more than a level playing field in America, for we endured nothing more, and often less, than vets of past wars.

So Mr. President again, I thank the body’s indulgence and now that we have successfully, I think, passed one of the major deadlines of this session. I would simply and humbly and respectfully recommend that if you have a minute or two, do more than walk past the display on the second floor. Stop, look at the photos, look into the eyes, let them stare back at you and think about the sacrifice.

Senator Spearman requested that her remarks be entered in the Journal.

I concur with my colleague from Senate District 15 and encourage everyone to go by because each one of those names and faces that are on the wall left families and children behind. I was at an event this weekend for military families and had an opportunity to speak with some, who although they had not lost a loved one, were helping to care for others. So when you look at those faces remember that they have families and they also left very young children. Thank you.

Senator Roberson moved that the Senate adjourn until Wednesday, April 22, 2015, at 11 a.m.

Motion carried.

Senate adjourned at 4:15 p.m.

Approved: MARK A. HUTCHISON 
President of the Senate

Attest: CLAIRE J. CLIFT 
Secretary of the Senate

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