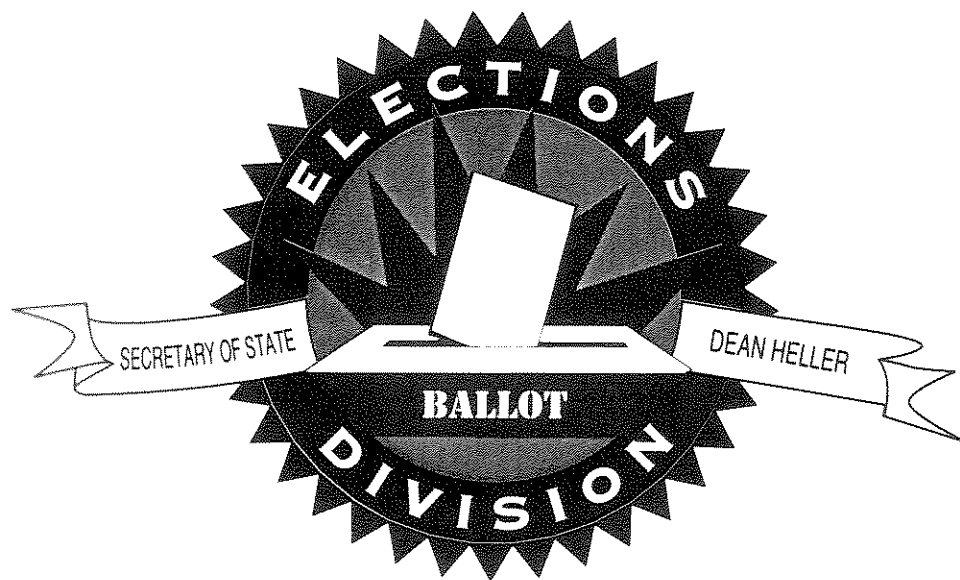


State of Nevada Ballot Questions 1996



**A compilation of ballot questions which will appear
on the November 5, 1996, General Election Ballot**

Issued by
Dean Heller
Secretary of State

NOTES TO VOTERS

Note No. 1

Ballot Questions 13, 14, and 15 relate to Nevada's sales tax. It is important that you understand this tax and the process by which it may be changed. As noted below, only a portion of this tax may be changed by you, the voter, pursuant to the attached ballot questions.

Nevada's statewide sales tax consists of three separate parts levied at different rates on the sale and use of tangible personal property in the state. The current statewide combined rate is 6.50 percent. In addition to these three parts, each county also may impose additional taxes up to a combined rate of 1 percent, subject to the approval of the voters or governing body in that county. These additional taxes have, in seven counties, increased the rate of the sales tax above the 6.5 percent rate imposed statewide.

The tax includes:

TAX	RATE
1. The state Sales and Use Tax	2.00 Percent
2. The Local School Support Tax (LSST)	2.25 Percent
3. The City-County Relief Tax (CCRT)	2.25 Percent
4. Optional local taxes - not more than	1.00 Percent

The state Sales and Use Tax may be amended or repealed only with the approval of the voters. The Local School Support Tax (LSST) and the City-County Relief Tax (CCRT) may be amended or repealed by the Legislature without the approval of the voters. For Questions 13 and 14 on this ballot, however, the Legislature has provided that the LSST and the CCRT will not be amended unless you approve the ballot question. Approval of Question 13 or Question 14 will also add an exemption to the optional local taxes. Question 15 addresses the state Sales and Use Tax only; an exemption from the LSST, CCRT, and optional taxes was previously approved in Senate Bill 311 of the 1995 Legislative Session.

Note No. 2

Each ballot question includes a **Fiscal Note** that explains only the adverse effect on state and local governments (increased expenses or decreased revenues). Ballot Questions 6 and 12 pertain to the state issuing bonds (borrowing money) that are repaid by state-imposed property tax revenues. It is estimated that current property tax revenues are sufficient to repay the bonds proposed in Questions 6 and 12.

QUESTION NO. 1

Amendment to the Nevada Constitution

Assembly Joint Resolution No. 19 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to place additional restrictions on the use of money paid to fund and administer the public employees' retirement system and to establish and prescribe the duties of the governing board for that system?

Yes ... 314,064. ☒
No ... 116,837. ☐

EXPLANATION

A public employees' retirement system has been established in Nevada by law. The Nevada Constitution requires money paid to fund and administer the system to be used for no other purposes. The proposed amendment would further prohibit such money from being loaned to the state or invested to purchase bonds issued by the state. It would also establish in the constitution the following requirements:

1. That the system be governed by a board;
2. That the board must employ an executive director and an independent actuary to calculate certain statistics related to contribution rates, benefits, and required reserves; and
3. That the board adopt actuarial assumptions used to compute retirement benefits based upon these calculations.

ARGUMENTS FOR PASSAGE

Approval of this proposal would prevent the State of Nevada from borrowing or otherwise taking money from the retirement funds of public employees. Other states have encountered serious problems in the aftermath of such borrowing. Funds committed for the retirement of public employees must be protected.

ARGUMENTS AGAINST PASSAGE

Approval of this proposal would prohibit the state from using the money in this segregated trust fund, even during a financial crisis. In addition, the State of Nevada has never used money from the retirement funds of public employees to pay its debts.

FISCAL NOTE

Financial Impact - No. The proposal to amend the Nevada Constitution would prescribe additional restrictions on the use of money paid to fund and administer the Public Employees' Retirement System and would not result in an adverse fiscal effect.

FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION--Proposing to amend the constitution of the State of Nevada to prescribe additional restrictions on the public employees' retirement system.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 2 of article 9 of the constitution of the State of Nevada be amended to read as follows:

Sec. 2. 1. The legislature shall provide by law for an annual tax sufficient to defray the estimated expenses of the state for each fiscal year; and whenever the expenses of any year [shall] exceed the income, the legislature shall provide for levying a tax sufficient, with other sources of income, to pay the deficiency, as well as the estimated expenses of such ensuing year or two years.

2. Any [moneys] *money* paid for the purpose of providing compensation for industrial accidents and occupational diseases, and for administrative expenses incidental thereto, and for the purpose of funding and administering a public employees' retirement system, [shall] *must* be segregated in proper accounts in the state treasury, and such [moneys shall] *money must* never be used for any other purposes, and they are hereby declared to be trust funds for the uses and purposes herein specified.

3. *Any money paid for the purpose of funding and administering a public employees' retirement system must not be loaned to the state or invested to purchase any obligations of the state.*

4. *The public employees' retirement system must be governed by a public employees' retirement board. The board shall employ an executive officer who serves at the pleasure of the board. In addition to any other employees authorized by the board, the board shall employ an independent actuary. The board shall adopt actuarial assumptions based upon the recommendations made by the independent actuary it employs.*

QUESTION NO. 2

Amendment to the Nevada Constitution

Senate Joint Resolution No. 2 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to provide specifically for the rights of victims of crime?

Yes 322,639 ☒

No 111,399 ☐

EXPLANATION

The proposed amendment to the Nevada Constitution would require the Legislature to provide by law for certain rights of victims of crime. These rights would include the right to be:

1. Informed of the status of criminal proceedings related to the crime;
2. Present at public hearings in the critical stages of such proceedings; and
3. Heard at proceedings for the sentencing or release of a convicted person.

Under the provisions of the amendment, a person may not bring a lawsuit for damages based on a violation of these rights. Also, such a violation is not a reason to set aside a conviction or sentence or to continue or postpone a criminal proceeding. However, a person may initiate an action to compel a public officer or employee to carry out duties associated with victims' rights.

ARGUMENTS FOR PASSAGE

The rights of persons accused of crimes are guaranteed in the state and federal constitutions. The rights of victims of crime also should be included in the Nevada Constitution to guarantee permanent status and to establish their importance to the residents of Nevada. Although existing state laws include certain rights for victims, these laws are not consistently enforced. Victims of crime seeking justice are often ignored by the criminal justice system. Including these rights under the constitution will guarantee their enforcement by judges, attorneys and officers and other agents of the criminal justice system.

ARGUMENTS AGAINST PASSAGE

Basic rights already are guaranteed to the people by the state and federal constitutions, including the retention of rights set forth in the 9th Amendment of the United States Constitution. Further, existing law in Nevada provides victims of crime with the right to be informed and to be heard at certain stages of criminal proceedings. It is not necessary to include these rights in the constitution.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal to amend the Nevada Constitution would provide specifically for the rights of victims of crime. The notification of victims required by the proposal may be provided through one or more of several state agencies. The fiscal effect would be determined by the agency(s) that administer(s) the program.

FULL TEXT OF THE MEASURE

SENATE JOINT RESOLUTION—Proposing to amend the constitution of the State of Nevada to provide expressly for the rights of victims of crime.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That section 8 of article 1 of the constitution of the State of Nevada be amended to read as follows:

[Section] *Sec. 8. 1. No person shall be tried for a capital or other infamous crime (except in cases of impeachment, and in cases of the militia when in actual service and the land and naval forces in time of war, or which this state may keep, with the consent of congress, in time of peace, and in cases of petit larceny, under the regulation of the legislature) except on presentment or indictment of the grand jury, or upon information duly filed by a district attorney, or attorney-general of the state, and in any trial, in any court whatever, the party accused shall be allowed to appear and defend in person, and with counsel, as in civil actions. No person shall be subject to be twice put in jeopardy for the same offense; nor shall he be compelled, in any criminal case, to be a witness against himself. [; nor]*

2. The legislature shall provide by law for the rights of victims of crime, personally or through a representative, to be:

(a) Informed, upon written request, of the status or disposition of a criminal proceeding at any stage of the proceeding;

(b) Present at all public hearings involving the critical stages of a criminal proceeding; and

(c) Heard at all proceedings for the sentencing or release of a convicted person after trial.

3. Except as otherwise provided in subsection 4, no person may maintain an action against the state or any public officer or employee for damages or injunctive, declaratory or other legal or equitable relief on behalf of a victim of a crime as a result of a violation of any statute enacted by the legislature pursuant to subsection 2. No such violation authorizes setting aside a conviction or sentence or continuing or postponing a criminal proceeding.

4. A person may maintain an action to compel a public officer or employee to carry out any duty required by the legislature pursuant to subsection 2.

5. No person shall be deprived of life, liberty, or property, without due process of law. [; nor shall private property]

6. Private property shall not be taken for public use without just compensation having been first made, or secured, except in cases of war, riot, fire, or great public peril, in which case compensation shall be afterward made.

QUESTION NO. 3

Amendment to the Nevada Constitution

Assembly Joint Resolution No. 6 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to revise the method of determining the number of signatures required on a petition for the recall of a public officer and to provide additional time to hold a special election on a recall petition?

Yes 231,554.. ☒

No 192,363.. ☐

EXPLANATION

The Nevada Constitution requires a petition for the recall of a public officer to be signed by at least 25 percent of the number of registered voters who voted at the preceding general election in the district from which the public officer was elected. The proposed amendment would instead base the number of signatures required on such a petition on the number of voters who voted at the actual election in which the public officer was elected, which may have been an election conducted before the preceding general election.

The proposal would also extend, from 20 to 30 days, the period within which a special election for consideration of the proposed recall must be held after it is ordered.

ARGUMENTS FOR PASSAGE

Nevada is the fastest growing state in this country. This population growth can cause an extraordinary increase in the number of people who vote. That increase in voters unfairly causes an increase in the number of signatures required on a petition to recall a public officer. The proposed amendment would ensure that the number of required signatures is based on the number of persons who voted in the election in which the public officer was actually elected, not on the increased number of voters who voted at a later election.

Once the recall petition is submitted and a special recall election is ordered, a realistic amount of time is needed to:

1. Schedule the date of the special election;
2. Allow the proper preparation of the special ballots; and
3. Advise the voters of the relevant issues and information.

The current time of 20 days is not sufficient. Voters wishing to exercise their constitutional right to recall a public officer should not be hampered by an unrealistic deadline.

ARGUMENTS AGAINST PASSAGE

The number of signatures required for a petition for the recall of a public officer should be based on the population of the district represented by the public officer at the time of the recall. The current procedure requiring the use of the number of voters who voted in the preceding general election is a more accurate indication of that population. Under certain circumstances, the proposed amendment would increase the number of signatures required. The current constitutional provisions for calling and conducting a recall election are adequate.

FISCAL NOTE

Financial Impact - No. The proposal to amend the Nevada Constitution revises the requirements for recalling a public officer. The revisions can be accomplished with no adverse fiscal effect.

FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION--Proposing to amend the constitution of the State of Nevada to revise the standard for determining the number of signatures of voters required for a petition seeking to recall a public officer and to increase the number of days within which a special election upon such a petition must be held after the issuance of a call.

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 9 of article 2 of the constitution of the State of Nevada be amended to read as follows:

Sec. 9. Every public officer in the State of Nevada is subject, as herein provided, to recall from office by the registered voters of the state, or of the county, district, or municipality [from which he was elected.] *which he represents*. For this purpose, [a number of registered voters] not less than twenty-five per cent (25%) of the number who actually voted in the state or in the county, district, or municipality [electing said officer, at the preceding general election,] *which he represents, at the election in which he was elected*, shall file their petition, in the manner herein provided, demanding his recall by the people. [; they] *They* shall set forth in said petition, in not exceeding two hundred (200) words, the reasons why said recall is demanded. If he shall offer his resignation, it shall be accepted and take effect on the day it is offered, and the vacancy thereby caused shall be filled in the manner provided by law. If he shall not resign within five (5) days after the petition is filed, a special election shall be ordered to be held within [twenty days (20)] *thirty days (30)* after the issuance of the call therefor, in the state, or county, district, or municipality electing said officer, to determine whether the people will recall said officer. On the ballot at said election shall be printed verbatim as set forth in the recall petition, the reasons for demanding the recall of said officer, and in not more than two hundred (200) words, the officer's justification of his course in office. He shall continue to perform the duties of his office until the result of said election shall be finally declared. Other candidates for the office may be nominated to be voted for at said special election. The candidate who shall receive highest number of votes at said special election shall be deemed elected for the remainder of the term, whether it be the person against whom the recall petition was filed, or another. The recall petition shall be filed with the officer with whom the petition for nomination to such office shall be filed, and the same officer shall order the special election when it is required. No such petition shall be circulated or filed against any officer until he has actually held his office six (6) months, save and except that it may be filed against a senator or assemblyman in the legislature at any time after ten (10) days from the beginning of the first session after his election. After one such petition and special election, no further recall petition shall be filed against the same officer during the term for which he was elected, unless such further petitioners shall pay into the public treasury from which the expenses of said special election have been paid, the whole amount paid out of said public treasury as expenses for the preceding special election. Such additional legislation as may aid the operation of this section shall be provided by law.

QUESTION NO. 4

Amendment to the Ordinance of the Nevada Constitution

Senate Joint Resolution No. 27 of the 67th Session

CONDENSATION (ballot question)

Shall the Territorial Ordinance of the Nevada Constitution be amended to remove the disclaimer of the state's interest in the unappropriated public lands?

Yes 234,206 ☒

No 181,743 ☐

EXPLANATION

On March 21, 1864, the United States Congress passed legislation enabling the people of the Territory of Nevada to form a constitution and establish a state government. Section 4 of this Enabling Act required the new state to prohibit slavery, to allow religious freedom, and to include a disclaimer which purportedly forever allowed the Federal Government to control much of the land within the boundaries of the state. This land was referred to as the "unappropriated public lands." These conditions were included in the "Ordinance" of Nevada's original constitution, which was approved by the voters on September 7, 1864, and by President Abraham Lincoln who proclaimed Nevada's statehood on October 31, 1864.

The proposed amendment would remove that provision from the "Ordinance" which reads that the people of the Territory of Nevada "forever disclaim all right and title to the unappropriated public lands lying within said territory, and that the same shall be and remain at the sole and entire disposition of the United States." The proposed amendment, if approved, does not become effective until the Congress of the United States consents to the amendment or until a court decides that such congressional action is not needed.

A "Yes" vote is a vote to remove the disclaimer from the ordinance.

A "No" vote is a vote to leave the disclaimer in the ordinance.

ARGUMENTS FOR PASSAGE

The intent of the founding fathers of this country was to guarantee that any new state admitted to the Union would be treated in the same way and placed on an equal footing with the original states. None of the original 13 states was required to disclaim all right and title to its unappropriated public lands. It should be noted that approximately 87 percent of the land in Nevada is controlled by the Federal Government, over half of which is unappropriated public land. Of the 50 states, only 27 were purportedly required to disclaim all right and title to their public lands as a condition of statehood. The disclaimer in Nevada's Ordinance violated the guarantee that Nevada would be treated in the same way as the original states. Additionally, in lawsuits against the State of Nevada, the Federal Government continues to rely on the disclaimer

to support its position that it should keep control over that land in Nevada. Therefore, the disclaimer should be removed from the Ordinance of the Nevada Constitution.

ARGUMENTS AGAINST PASSAGE

In 1864, eligible voters of the Territory of Nevada disclaimed all right and title to the unappropriated public lands as a condition of statehood. Further, the federal Enabling Act specified that the disclaimer was "irrevocable" unless the United States and the people of Nevada both agree to remove it. Even if Nevadans approve Question 4, their approval does not guarantee that Congress will agree to remove the disclaimer.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal to amend the ordinance of the Nevada Constitution would remove the disclaimer of the interest of the state in unappropriated public lands. The fiscal effect would be determined by subsequent actions of the Federal Government and persons who may take advantage of the provision.

FULL TEXT OF THE MEASURE

SENATE JOINT RESOLUTION—Proposing to amend the ordinance of the Nevada constitution to repeal the disclaimer of interest of the state in unappropriated public lands.

WHEREAS, The State of Nevada has a strong moral claim upon the public land retained by the Federal Government within Nevada's borders; and

WHEREAS, On October 31, 1864, the Territory of Nevada was admitted to statehood on the condition that it forever disclaim all right and title to unappropriated public land within its boundaries; and

WHEREAS, Nevada received the least amount of land 2,572,478 acres, and the smallest percentage of its total area, 3.9 percent, of the land grant states in the Far West admitted after 1864, while states of comparable location and soil, including Arizona, New Mexico and Utah, received approximately 11 percent of their total area in federal land grants; and

WHEREAS, The State of Texas, when admitted to the Union in 1845, retained ownership of all unappropriated land within its borders; and

WHEREAS, The federal holdings in the State of Nevada constitute 86.7 percent of the area of the state, and in Esmeralda, Lincoln, Mineral, Nye and White Pine counties the Federal Government controls from 97 to 99 percent of the land; and

WHEREAS, The federal jurisdiction over the public domain is shared among several federal agencies or departments which causes problems concerning the proper management of the land and disrupts the normal relationship between a state, its residents and its property; and

WHEREAS, The intent of the framers of the Constitution of the United States was to guarantee to each of the states sovereignty over all matters within its boundaries except for those powers specifically granted to the United States as agent of the states; and

WHEREAS, The exercise of dominion and control of the public lands within the State of Nevada by the United States works a severe, continuous and debilitating hardship upon the people of the State of Nevada; now, therefore, be it

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

In obedience to the requirements of an act of the Congress of the United States, approved

March twenty-first, A.D. eighteen hundred and sixty-four, to enable the people of Nevada to form a constitution and state government, this convention, elected and convened in obedience to said enabling act, do ordain as follows, and this ordinance shall be irrevocable, without the consent of the United States and the people of the State of Nevada:

First. That there shall be in this state neither slavery nor involuntary servitude, otherwise than in the punishment for crimes, whereof the party shall have been duly convicted.

Second. That perfect toleration of religious sentiment shall be secured, and no inhabitant of said state shall ever be molested, in person or property, on account of his or her mode of religious worship.

Third. That the people inhabiting said territory do agree and declare, that [they forever disclaim all right and title to the unappropriated public lands lying within said territory, and that the same shall be and remain at the sole and entire disposition of the United States; and that] lands belonging to citizens of the United States, residing without the said state, shall never be taxed higher than the land belonging to the residents thereof; and that no taxes shall be imposed by said state on lands or property therein belonging to, or which may hereafter be purchased by, the United States, unless otherwise provided by the Congress of the United States. And be it further

RESOLVED, That the Legislature of the State of Nevada hereby urges the Congress of the United States to consent to the amendment of the ordinance of the Nevada constitution to remove the disclaimer concerning the right of the Federal Government to sole and entire disposition of the unappropriated public lands in Nevada; and be it further

RESOLVED, That, upon approval and ratification of the amendment proposed by this resolution by the people of the State of Nevada, copies of this resolution be prepared and transmitted by the Secretary of the Senate to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

RESOLVED, That this resolution becomes effective upon passage and approval, except that, notwithstanding any other provision of law, the proposed amendment to the ordinance of the constitution of the State of Nevada, if approved and ratified by the people of the State of Nevada, does not become effective until the Congress of the United States consents to the amendment or upon a legal determination that such consent is not necessary.

QUESTION NO. 5

Amendment to the Nevada Constitution

Senate Joint Resolution No. 23 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to authorize the legislative review of regulations of state agencies?

Yes 257,358... ☒

No 158,812... ☐

EXPLANATION

The authority to enact laws is granted to the Legislature by the Nevada Constitution. To carry out those laws, the Legislature may grant state agencies the authority to adopt administrative regulations. Upon adoption, these regulations have the same effect as law. Under current Nevada law, the Legislature's staff reviews regulations adopted by most state agencies to determine whether the regulations exceed the authority granted by the Legislature to adopt those regulations, and whether they carry out the Legislature's intent in granting that authority. However, even if the regulations are found to exceed the agency's authority or to be contrary to the Legislature's intent, the agency's regulation becomes effective if the agency chooses to file that regulation, notwithstanding the Legislature's objection. The Legislature may not currently suspend or reject a regulation. The Legislature's only option is to pass another law on the particular issue during the next legislative session.

The proposed amendment would specifically authorize:

1. Legislative review of proposed regulations before they become effective;
2. Suspension of regulations that appear to exceed the agency's statutory authority; and
3. Rejection of regulations which are determined to exceed the agency's authority.

ARGUMENTS FOR PASSAGE

Members of the Legislature are elected by the residents of Nevada and are, therefore, more responsive and accessible to the needs and wishes of Nevadans than are the officers and employees of state agencies who are not elected. The purpose of the proposed amendment is to ensure that the Legislature may suspend or reject any state regulation that exceeds the authority granted by the Legislature when it passed the law which authorized the agency to adopt the particular regulation. The constitutional principle which provides for a separation of powers among the legislative, executive and judicial branches will remain strong because:

1. The executive branch agencies will still be adopting regulations to carry out the laws, as long as the regulations they adopt are within the authority given to them by the Legislature;
2. The courts will still be interpreting regulations and may rule that a particular regulation is legally defective; and
3. The Legislature will still pass laws while keeping the right to ensure that the people's voice is heard by the state regulators.

ARGUMENTS AGAINST PASSAGE

The Nevada Constitution provides for a separation of powers among the legislative, executive and judicial branches of government. Once it passes a law authorizing a state agency to adopt regulations, the Legislature should not have the authority to review or override the regulations proposed by agencies of the executive branch of government. In addition, the Nevada Constitution grants to the courts the authority to interpret regulations and to determine whether they exceed the agencies' statutory authority.

FISCAL NOTE

Financial Impact - No. The proposal to amend the Nevada Constitution would specifically authorize the legislative review of administrative regulations. The revisions can be accomplished with no adverse fiscal effect.

FULL TEXT OF THE MEASURE

SENATE JOINT RESOLUTION--Proposing to amend the Nevada constitution to authorize specifically the legislative review of administrative regulations.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That section 1 of article 3 of the constitution of the State of Nevada be amended to read as follows:

Section [.] 1. 1. The powers of the Government of the State of Nevada shall be divided into three separate departments,—the Legislative,—the Executive and the Judicial; and no persons charged with the exercise of powers properly belonging to one of these departments shall exercise any functions, appertaining to either of the others, except in the cases [herein] expressly directed or permitted [.] in this constitution.

2. *If the legislature authorizes the adoption of regulations by an executive agency which bind persons outside the agency, the legislature may provide by law for:*

(a) *The review of these regulations by a legislative agency before their effective date to determine initially whether each is within the statutory authority for its adoption;*

(b) *The suspension by a legislative agency of any such regulation which appears to exceed that authority, until it is reviewed by a legislative body composed of members of the Senate and Assembly which is authorized to act on behalf of both houses of the legislature; and*

(c) *The nullification of any such regulation by a majority vote of that legislative body, whether or not the regulation was suspended.*

QUESTION NO. 6

Amendment to the Nevada Constitution

Assembly Joint Resolution No. 26 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to clarify that an exemption from the state's debt limitation also applies to money borrowed to retrofit state buildings to make more efficient use of energy in those buildings?

Yes .170.564. ☐

No ..245.219.. ☒

EXPLANATION

The Nevada Constitution allows the state to borrow money, but prohibits the sum of such debts from exceeding 2 percent of the assessed value of all taxable property in the state. The constitution also provides that debts incurred by the state for the preservation of its property or natural resources are exempt from this debt limitation. Although energy resources are generally considered to be natural resources, it is not clear if projects to retrofit buildings in order to conserve energy are exempt from the debt limitation. The proposed amendment would clarify that the existing exemption applies to debts incurred in modifying state buildings to conserve energy.

ARGUMENTS FOR PASSAGE

The conservation of Nevada's energy resources through the retrofitting of public buildings is consistent with the preservation of the state's natural resources and, therefore, should be exempt specifically from the debt limitation. The proposed amendment would provide more flexibility and additional options for financing projects to retrofit state buildings to make them more energy efficient. Through demonstration projects to retrofit buildings funded by special grants, the State of Nevada has shown that it can obtain significant savings in the cost of energy within a period of a few years. Nevada could realize substantial savings by retrofitting some of its existing 1,800 buildings, but the state needs to issue bonds, preferably not included in the debt limitation, to finance such projects. If this proposal is not passed, these retrofit projects and the subsequent savings may be needlessly delayed because they must compete with the other capital improvement projects for funding within the debt limit.

ARGUMENTS AGAINST PASSAGE

The Legislature has authorized through the year 2013 under the existing debt limit, the issuance of state bonds in the amount of up to \$5 million, at any one time, for projects to retrofit state buildings in order to conserve energy. If additional money is needed for such projects, it should be raised from the issuance of bonds within the current debt limit and not from bonds issued outside the debt limitation.

FISCAL NOTE

Financial Impact - No. The proposal to amend the Nevada Constitution would clarify an exemption from the debt limitation for money borrowed to retrofit state buildings to conserve energy. The clarification results in no adverse fiscal effect.

FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION--Proposing to amend the constitution of the State of Nevada to clarify the exemption from the debt limitation of money borrowed to retrofit state buildings to make the use of energy in the buildings more efficient.

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

Sec. 3. The state may contract public debts; but such debts shall never, in the aggregate, exclusive of interest, exceed the sum of two per cent of the assessed valuation of the state, as shown by the reports of the county assessors to the state controller, except for the purpose of defraying extraordinary expenses, as hereinafter mentioned. Every such debt shall be authorized by law for some purpose or purposes, to be distinctly specified therein; and every such law shall provide for levying an annual tax sufficient to pay the interest semiannually, and the principal within twenty years from the passage of such law, and shall specially appropriate the proceeds of said taxes to the payment of said principal and interest; and such appropriation shall not be repealed nor the taxes postponed or diminished until the principal and interest of said debts shall have been wholly paid. Every contract of indebtedness entered into or assumed by or on behalf of the state, when all its debts and liabilities amount to said sum before mentioned, shall be void and of no effect, except in cases of money borrowed to repel invasion, suppress insurrection, defend the state in time of war, or, if hostilities be threatened, provide for the public defense. The state, notwithstanding the foregoing limitations, may, pursuant to authority of the legislature, make and enter into any and all contracts necessary, expedient or advisable for the protection and preservation of any of its property or natural resources, or for the purposes of obtaining the benefits thereof, however arising and whether arising by or through any undertaking or project of the United States or by or through any treaty or compact between the states, or otherwise [.] , *including contracts for the retrofitting of state buildings to make the use of energy in the buildings more efficient.* The legislature may from time to time make such appropriations as may be necessary to carry out the obligations of the state under such contracts, and shall levy such tax as may be necessary to pay the same or carry them into effect.

QUESTION NO. 7

Amendment to the Nevada Constitution

Assembly Joint Resolution No. 35 of the 67th Session

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to allow the prudent investment of state money in a company, association, or corporation to stimulate economic development or the creation of new jobs?

Yes 148,581... ☐

No 274,022... ☒

EXPLANATION

The Nevada Constitution prohibits the State from donating or loaning money or its credit to, or buying the stock of any company, association, or corporation, except corporations formed for educational or charitable purposes. The proposed amendment would enable the Legislature to consider and authorize the investment of state money in companies, associations, or corporations, subject to the following conditions:

1. That the investment supports economic development or the creation of new employment opportunities in the State; and
2. That the State can expect a reasonable rate of return on the investment, adjusted for the relative degree of risk.

Each investment authorized by the Legislature must be made in cooperation with knowledgeable investors and be prudently managed. The State's participation must be on terms that are the same or more favorable than those of any private investors. The proposed amendment would require any law authorizing such investments to be approved by a two-thirds vote of each house of the Nevada Legislature.

ARGUMENTS FOR PASSAGE

New capital investment is needed to diversify Nevada's economy, contribute to the growth of high-quality small businesses, broaden job opportunities, and enhance the standard of living for Nevadans. Passage of this constitutional amendment would allow Nevada to assist investors to develop new sources of capital for the state's business and industry. Most other states permit such investments.

ARGUMENTS AGAINST PASSAGE

The State should not use tax dollars for investment in private companies, associations, or corporations. Any risk or gain associated with investments involving private businesses has traditionally been left to private investors.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal does not require any investment to be made. The amendment would simply permit the Legislature to consider proposals for investments subject to the terms and conditions in the amendment. Until specific legislation is enacted authorizing an investment, there would be no fiscal impact.

FULL TEXT OF THE MEASURE

ASSEMBLY JOINT RESOLUTION—Proposing to amend the Nevada constitution to allow the investment of state money to stimulate economic development.

WHEREAS, Emerging competition in other states and federally regulated territories threaten the State of Nevada's long-term growth in its vital gaming industry; and

WHEREAS, Finance programs necessary to assure business expansion and high quality job growth do not currently provide Nevada's business sector with adequate access to those types of money and capital essential to support the growth of a diversified economic base; and

WHEREAS, The Nevada constitution currently contains restrictions, based on conditions existing in the 19th century, that have prevented the Legislature from considering legislation similar to laws enacted in several other states, which would permit prudently managed investments in public-private partnerships and corporations designed to provide needed sources of capital for high quality, job-creating businesses within Nevada that cannot feasibly obtain such financing from existing private financial markets in an easily accessible and efficient manner; and

WHEREAS, The State of Nevada must remain competitive with other states in providing the necessary financial tools to attract the types of businesses and industries that would diversify Nevada's economic base and improve the standard of living for Nevada's citizens; and

WHEREAS, The benefits to be derived from a strong economic development effort throughout the state may be jeopardized if current restrictions in the Nevada constitution are not replaced with more flexible and contemporary standards that both protect public investments in economic development projects and provide access to the type of financing needed to stimulate the growth of businesses and industries throughout the state which will provide the high quality jobs, increased property values, and enhanced standard of living desired by Nevadans; now, therefore, be it

RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA, JOINTLY, That section 9 of article 8 of the constitution of the State of Nevada is hereby amended to read as follows:

[Sec. 9. The]

Sec. 9. 1. Except as otherwise provided in subsections 2 and 3, the State shall not donate or loan money [,] or its credit [,] to, or subscribe to or be [,] interested in the Stock of any company, association, or corporation. [, except] 2. The legislature may by law, approved by a vote of two-thirds of the members elected to each house, authorize the investment of state money in a company, association or corporation subject to the following conditions:

(a) Before any investment is authorized, a determination must be made, by a person or entity designated in the authorizing legislation, that:

(1) The investment is for the economic development of this state or the creation of new employment opportunities in this state;

(2) The state can reasonably expect to achieve a reasonable rate of return on the investment, adjusted for the relative degree of risk; and

(b) Each investment by the state must be made through a cooperative venture with private investors of reasonable sophistication who participate in the venture on terms that are the same as or less favorable than the terms on which the state is participating.

Revenue received from investments pursuant to this subsection may be reinvested subject to the same conditions.

3. The provisions of this section do not apply to corporations formed for educational or charitable purposes.

QUESTION NO. 8

An Initiative Relating to Term Limits for Federal Officers

REMOVED FROM THE BALLOT

Question number eight was removed from the ballot following the U.S. Supreme Court Decision, *U.S. Term Limits, Inc. v. Thornton*, and Nevada Attorney General Opinion No. 95-17.

QUESTION NO. 9

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

CONDENSATION (ballot question)

9(a) Shall the Nevada Constitution be amended to establish term limits for state and local public officers in the executive and legislative branches of government?

Yes ..233,177. ☒

No ..196,343. ☐

9(b) Shall the Nevada Constitution be amended to establish term limits for Nevada justices and judges?

Yes ..161,775. ☐

No ..232,771... ☒

EXPLANATION

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

Justices of the supreme court, district court judges, justices of the peace, and all other judges would be limited to two full terms, to one full term and a fraction of a term, or to two fractions of one term. Limits to service by a judge would range from twelve years to less than three years. A limit of three years or less would occur if a judge is appointed to fill a judicial vacancy and then is reelected to the final two years of the term, as is required to keep the position: this would constitute two terms under the language of the amendment.

ARGUMENT FOR PASSAGE

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

ARGUMENT AGAINST PASSAGE

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

Most people want a judge with knowledge and experience, yet term limits will give the judge insufficient time to develop either. No sooner will a judge begin to attain these qualities than he or she will be forced to leave office by term limits. Since most judges' terms end at the same time, wholesale replacement of experienced judges will occur. The long term quality of the judiciary will also decline because most qualified lawyers will refuse to give up their practices or careers in exchange for only a limited period of time on the bench.

FISCAL NOTE

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

FULL TEXT OF THE MEASURE

Initiative to Limit Terms of State and Local Officers

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

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

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

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

or more, from any district of this state.

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

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

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

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

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

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

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

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

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

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

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

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

QUESTION NO. 10

An Initiative Relating to Establish Limits and Define Campaign Contributions

CONDENSATION (ballot question)

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

Yes 300,886. ☒

No 123,024. ☐

EXPLANATION

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

ARGUMENTS FOR PASSAGE

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

ARGUMENTS AGAINST PASSAGE

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

FISCAL NOTE

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

FULL TEXT OF THE MEASURE

Initiative to Define and Limit Campaign Contributions

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

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

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

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

Sec. 2. If article 2 of the constitution of the State of Nevada is also amended by the addition of another section at the same general election at which this initiative is finally approved, the secretary of state shall redesignate the section added by this initiative as "Sec. 11."

QUESTION NO. 11

An Initiative Relating to Tax Restraint

CONDENSATION (ballot question)

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

Yes 301,382.. ☒

No 125,969.. ☐

EXPLANATION

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

ARGUMENTS FOR PASSAGE

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

ARGUMENTS AGAINST PASSAGE

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

FISCAL NOTE

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

FULL TEXT OF THE MEASURE

Initiative relating to Tax Restraint

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

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

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

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

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

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

QUESTION NO. 12

Proposal to Issue Bonds

Assembly Bill 13 of the 68th Session

CONDENSATION (ballot question)

Shall the State of Nevada issue general obligation bonds in an amount of not more than \$20,000,000 to carry out projects for the control of erosion and the restoration of natural watercourses in the Lake Tahoe Basin?

Yes 221,031... ☒

No 203,708... ☐

EXPLANATION

If this proposal is approved, the State of Nevada will issue general obligation bonds in an amount of not more than \$20,000,000 to provide grants to local governments and Nevada's Department of Transportation to carry out projects for the control of erosion and the restoration of natural watercourses in the Lake Tahoe Basin. Also, the State Land Registrar will be required to adopt regulations to carry out the program for awarding grants and to report to the Legislature's Interim Finance Committee concerning the program.

ARGUMENTS FOR PASSAGE

Lake Tahoe is a natural and scenic resource of statewide and national significance. However, the clarity of the lake's water continues to deteriorate because of human activities on lands within the Lake Tahoe Basin. Projects now being conducted to protect the quality of the water are helping, but are not adequate to prevent the continued deterioration of water quality and loss of water clarity. Therefore, it is necessary that additional projects be constructed to prevent storm water and sediment from entering the waters of the lake. The State of California provides funding for, and the Federal Government supports, projects to protect the clarity of the lake. Approval of this proposal will provide money for projects specifically located on the Nevada side of Lake Tahoe.

ARGUMENTS AGAINST PASSAGE

The state and local governments in Nevada have already invested in a number of improvement projects needed to preserve the environmental quality of the Lake Tahoe Basin. Although Lake Tahoe is acknowledged to be a resource of statewide importance, some residents of Nevada may not have the opportunity to enjoy the scenic and recreational benefits of the lake.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal would provide for the issuance of general obligation bonds to carry out certain conservation projects in the Lake Tahoe Basin. The fiscal effect would be subject to the terms and conditions of the issuance of the bonds and the state's overall bonded indebtedness at that time.

FULL TEXT OF THE MEASURE

AN ACT relating to natural resources; requiring the submission to a vote of the people of a proposal to issue state general obligation bonds to provide grants to local governments and the department of transportation to carry out projects for the control of erosion and the restoration of natural watercourses in the Lake Tahoe Basin; requiring the state land registrar to adopt regulations necessary to carry out a program for awarding such grants and to report to the interim finance committee concerning the program if the proposal is carried; and providing other matters properly relating thereto.

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

Section 1. 1. At the general election to be held in the State of Nevada in 1996, there must be submitted to the voters of the state, in the manner prescribed by chapter 349 of NRS, a proposal to issue general obligation bonds of the state to provide grants to local governments and the department of transportation to carry out projects for the control of erosion and the restoration of natural watercourses in the Lake Tahoe Basin in an amount of not more than \$20,000,000.

2. If the proposal is carried, the state board of examiners shall issue general obligation bonds of the State of Nevada in a total face amount of not more than \$20,000,000. The bonds may be issued at one time or from time to time. The expenses related to the issuance of bonds pursuant to this section must be paid from the proceeds of the bonds, and must not exceed 2 percent of the face amount of the bonds sold.

3. The provisions of the State Securities Law, contained in chapter 349 of NRS, apply to the issuance of bonds pursuant to this section.

Sec. 2. If the proposal is carried, the state land registrar shall:

1. Adopt regulations necessary to carry out a program for awarding grants pursuant to the provisions of section 1 of this act. The regulations must:

- (a) Set forth the procedure for applying for a grant;
- (b) Set forth the criteria that will be considered in awarding a grant; and
- (c) State whether and to what degree an applicant must match any money awarded.

2. Report semiannually to the interim finance committee concerning the establishment and administration of the program and the expenditure of money for the program.

Sec. 3. After deducting the expenses relating to the issuance of the bonds, the state land registrar may use the proceeds from any bonds issued pursuant to the provisions of section 1 of this act to defray the costs of administering the program for awarding grants.

Sec. 4. The legislature finds and declares that the issuance of securities and the incurrence of indebtedness pursuant to this act are for the protection and preservation of the natural resources of this state and for the purpose of obtaining the benefits thereof, and constitute an exercise of the authority conferred by the second paragraph of section 3 of article 9 of the constitution of the State of Nevada.

QUESTION NO. 13

Amendment to the Sales and Use Tax Act of 1955

Assembly Bill 373 of the 68th Session

CONDENSATION (ballot question)

Shall an exemption from the sales and use taxes be provided for orthotic appliances, ambulatory casts, other supports, splints, bandages, pads, compresses and dressings if prescribed, applied, furnished or sold under certain circumstances?

Yes 284,276 ☒

No 140,122 ☐

EXPLANATION

The proposed amendment to the Sales and Use Tax Act of 1955 would exempt from the taxes imposed by this act the gross receipts from the sale and storage, use or other consumption of orthotic appliances and ambulatory casts, other supports and casts if prescribed or applied by a licensed provider of health care, within his scope of practice, and splints, bandages, pads, compresses and dressings prescribed, furnished or sold under certain circumstances. The exemption would not apply to these items if they are sold without a prescription. If this proposal is adopted, the legislature has provided that the Local School Support Tax Law and the City-County Relief Tax Law will be amended to provide the same exemption.

ARGUMENTS FOR PASSAGE

The cost of medical care in Nevada is among the highest in the nation and this proposal would help to lower that cost. Since the tax on these items is not reimbursed by Medicaid, Medicare, workers' compensation, or health insurance, the residents of Nevada pay the tax. A person should not be taxed to get well and the state should not profit from people's infirmities, illnesses and disabilities.

Additionally, patients treated in nonprofit hospitals, and the hospitals themselves, are not subject to the tax, which creates an inequity for those persons who are treated in a place other than a hospital. This situation encourages an unnecessary utilization of hospitals. Furthermore, administration of the current exemption creates confusion for providers of medical care, suppliers and patients.

ARGUMENTS AGAINST PASSAGE

Passage of this proposal would reduce sales tax revenues available to state and local governments. Also, the payment of the sales and use taxes on these items is not a burden for those Nevadans covered by public assistance. Therefore, the exemption is not needed.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal would provide an exemption from the Sales and Use Tax Act of 1955 for orthotic appliances and casts, and certain other medical supplies. Approval of this question would result in an indeterminate loss of sales tax revenue to the state and local governments.

FULL TEXT OF THE MEASURE

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption from the tax for orthotic appliances and ambulatory casts, other supports and casts if prescribed or applied by a licensed provider of health care, and splints, bandages, pads, compresses and dressings prescribed, furnished or sold under certain circumstances; contingently providing the same exemption from certain analogous taxes; and providing other matters properly relating thereto.

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

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

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

Section 1. Section 56.1 of the above-entitled act, being chapter 397, Statutes of Nevada 1955, as added by chapter 306, Statutes of Nevada 1969, at page 532, and amended by chapter 627, Statutes of Nevada 1985, at page 2028, is hereby amended to read as follows:

Section 56.1. 1. There are exempted from the taxes imposed by this act the gross receipts from sales and the storage, use or other consumption of:

(a) Prosthetic devices, *orthotic appliances and ambulatory casts for human use*[], and other supports and casts if prescribed or applied by a licensed provider of health care, within his scope of practice, for human use.

(b) Appliances and supplies relating to an ostomy.

(c) Products for hemodialysis.

(d) Medicines:

(1) Prescribed for the treatment of a human being by a person authorized to prescribe medicines, and dispensed on a prescription filled by a registered pharmacist in accordance with law;

(2) Furnished by a licensed physician, dentist or [podiatrist] *podiatric physician* to his own patient for the treatment of the patient;

(3) Furnished by a hospital for treatment of any person pursuant to the order of a licensed physician, dentist [, podiatrist;] or *podiatric physician*; or

(4) Sold to a licensed physician, dentist, [podiatrist] *podiatric physician* or hospital for the treatment of a human being.

2. *As used in this section:*

(a) "Medicine" means any substance or preparation intended for use by external or internal

application to the human body in the diagnosis, cure, mitigation, treatment or prevention of disease or affliction of the human body and which is commonly recognized as a substance or preparation intended for such use." *The term includes splints, bandages, pads, compresses and dressings.*

[3.] (b) "Medicine" does not include:

[(a)] (1) Any auditory, ophthalmic or ocular device or appliance.

[(b)] (2) Articles which are in the nature of [splints, bandages, pads, compresses, supports, dressings,] instruments, crutches, canes, [braces,] devices or other mechanical, electronic, optical or physical equipment.

[(c)] (3) Any alcoholic beverage, except where the alcohol merely provides a solution in the ordinary preparation of a medicine. [as defined by subsection 2.

4.] (4) *Braces or supports, other than those prescribed or applied by a licensed provider of health care, within his scope of practice, for human use.*

3. Insulin furnished by a registered pharmacist to a person for treatment of diabetes as directed by a physician shall be deemed to be dispensed on a prescription within the meaning of this section.

Sec. 2. This act becomes effective on January 1, 1997.

QUESTION NO. 14

Amendment to the Sales and Use Tax Act of 1955

Senate Bill 144 of the 68th Session

CONDENSATION (ballot question)

Shall an exemption from the sales and use taxes be provided for items sold by nonprofit organizations created for religious, charitable, or educational purposes based on standards adopted by the Legislature?

Yes 242,127... ☒

No 185,557. ☐

EXPLANATION

State law exempts from taxation sales made to many religious and charitable entities, which include churches, school support groups, youth organizations, and other charitable groups. The proposed amendment to the Sales and Use Tax Act of 1955 would provide an exemption from the sales and use taxes for items sold by nonprofit organizations created for religious, charitable, or educational purposes. If this proposal is adopted, the legislature has provided the standards for determining whether an organization is created for religious, charitable, or educational purposes and has further provided that the Local School Support Tax Law and the City-County Relief Tax Law will be amended to provide the same exemption.

ARGUMENTS FOR PASSAGE

This amendment will exempt from taxation goods sold by nonprofit organizations in pursuit of their religious, charitable, or educational purposes. These nonprofit organizations exist to increase the quality of life, provide opportunity, and reduce the burden of government in providing service and assistance to persons in need. The current tax:

1. Reduces funds available for nonprofit organizations to carry out their missions;
2. Is expensive for nonprofit organizations to administer and collect; and
3. Discourages volunteerism by adding administrative duties to volunteers whose motivations are based on helping people.

The state should not profit from the charitable intentions of Nevada residents. For these reasons, taxes should not be imposed on sales made by such religious, charitable, and educational organizations.

ARGUMENTS AGAINST PASSAGE

State law contains numerous exemptions from the sales tax. The exemption may create an advantage for certain retail enterprises conducted by religious, charitable and educational organizations, over enterprises conducted by similar businesses operated for profit. Taxes should be collected on retail sales, regardless of the type of entity making such sales.

FISCAL NOTE

Financial Impact - Cannot be determined. The proposal would provide an exemption from the Sales and Use Tax Act of 1955 for tangible personal property sold by nonprofit organizations created for religious, charitable, or educational purposes. The collection of this tax is not currently being enforced; therefore, approval of this question would result in an indeterminate loss of potential sales tax revenue to state and local governments.

FULL TEXT OF THE MEASURE

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption for the gross receipts from the sale, storage, use or other consumption of tangible personal property sold by or to a nonprofit organization created for religious, charitable or educational purposes; contingently providing the same exemption from certain analogous taxes; and providing other matters properly relating thereto.

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

Section 1. At the general election on November 5, 1996, a proposal must be submitted to the registered voters of this state to amend the Sales and Use Tax Act, which was enacted by the 47th session of the legislature of the State of Nevada and approved by the governor in 1955, and subsequently approved by the people of this state at the general election held on November 6, 1956.

Sec. 2. At the time and in the manner provided by law, the secretary of state shall transmit the proposed act to the several county clerks, and the county clerks shall cause it to be published and posted as provided by law.

Sec. 3. The proclamation and notice to the voters given by the county clerks pursuant to law must be in substantially the following form:

Notice is hereby given that at the general election on November 5, 1996, a question will appear on the ballot for the adoption or rejection by the registered voters of the state of the following proposed act:

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

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

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

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

[(a)] 1. The United States, its unincorporated agencies and instrumentalities.

[(b)] 2. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.

[(c)] 3. The State of Nevada, its unincorporated agencies and instrumentalities.

[(d)] 4. Any county, city, district [,] or other political subdivision of this state.

[(e)] Any organization created for religious, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual.]

Sec. 2. The above entitled act, being chapter 397, Statutes of Nevada 1955, at page 762, is hereby amended by adding thereto a new section to be designated as section 50.1, immediately

following section 50, to read as follows:

Sec. 50.1. There are exempted from the taxes imposed by this act the gross receipts from the sale of, and the storage, use or other consumption in this state of, any tangible personal property sold by or to a nonprofit organization created for religious, charitable or educational purposes. The legislature shall establish:

1. Standards for determining whether an organization is created for religious, charitable or educational purposes.

2. Procedures for administering the provisions of this section.

Sec. 3. This act becomes effective on January 1, 1997.

Sec. 4. The ballot page assemblies and the paper ballots to be used in voting on the question must present the question in substantially the following form:

Shall the Sales and Use Tax Act of 1955 be amended to provide an exemption from the sales and use tax for items sold by a nonprofit organization created for religious, charitable or educational purposes based on standards adopted by the legislature?

Yes ☐ No ☐

Sec. 5. The explanation of the question which must appear on each paper ballot and sample ballot and in every publication and posting of notice of the question must be in substantially the following form:

(Explanation of Question)

The proposed amendment to the Sales and Use Tax Act of 1955 would exempt from the taxes imposed by this act the gross receipts from the sale, storage, use or other consumption of tangible personal property sold by or to a nonprofit organization created for religious, charitable or educational purposes as determined pursuant to standards adopted by the legislature. If this proposal is adopted, the legislature has provided the standards for determining whether an organization is created for religious, charitable or educational purposes and has further provided that the Local School Support Tax Law and the City-County Relief Tax Law will be amended to provide the same exemption.

Sec. 6. If a majority of the votes cast on the question is yes, the amendment to the Sales and Use Tax Act of 1955 becomes effective on January 1, 1997. If less than a majority of votes cast on the question is yes, the question fails and the amendment to the Sales and Use Tax Act of 1955 does not become effective.

Sec. 7. All general election laws not inconsistent with this act are applicable.

Sec. 8. Any informalities, omissions or defects in the content or making of the publications, proclamations or notices provided for in this act and by the general election laws under which this election is held must be so construed as not to invalidate the adoption of the act by a majority of the registered voters voting on the question if it can be ascertained with reasonable certainty from the official returns transmitted to the office of the secretary of state whether the proposed amendment was adopted by a majority of those registered voters.

Sec. 9. Chapter 372 of NRS is hereby amended by adding thereto the provisions set forth as sections 10 and 11 of this act.

Sec. 10. 1. For the purposes of section 50.1 of the Sales and Use Tax Act of 1955, being chapter 397, Statutes of Nevada 1955, an organization is created for religious, charitable or educational purposes if it complies with the provisions of this section.

2. An organization is created for religious purposes if:

(a) It complies with the requirements set forth in subsection 5; and

(b) The sole or primary purpose of the organization is the operation of a church, synagogue or other place of religious worship at which nonprofit religious services and activities are regularly conducted. Such an organization includes, without limitation, an integrated auxiliary or affiliate of the organization, men's, women's or youth groups established by the organization, a school or mission society operated by the organization, an organization of local units of a church and a convention or association of churches.

3. An organization is created for charitable purposes if:

- (a) It complies with the requirements set forth in subsection 5;
 - (b) The sole or primary purpose of the organization is to:
 - (1) Advance a public purpose, donate or render gratuitously or at a reduced rate a substantial portion of its services to the persons who are the subjects of its charitable services, and benefit a substantial and indefinite class of persons who are the legitimate subjects of charity; or
 - (2) Provide services that are otherwise required to be provided by a local government, this state or the Federal Government; and
 - (c) The organization is operating in this state.
4. An organization is created for educational purposes if:
- (a) It complies with the requirements set forth in subsection 5; and
 - (b) The sole or primary purpose of the organization is to:
 - (1) Provide athletic, cultural or social activities for children;
 - (2) Provide displays or performances of the visual or performing arts to members of the general public;
 - (3) Provide instruction and disseminate information on subjects beneficial to the community; or
 - (4) Operate a school, college or university located in this state that conducts regular classes and provides courses of study required for accreditation or licensing by the state board of education or the commission of postsecondary education, or for membership in the Northwest Association of Schools and Colleges.
5. In addition to the requirements set forth in subsection 2, 3 or 4, an organization is created for religious, charitable or educational purposes if:
- (a) No part of the net earnings of any such organization inures to the benefit of a private shareholder, individual or entity;
 - (b) The business of the organization is not conducted for profit;
 - (c) No substantial part of the business of the organization is devoted to the advocacy of any political principle or the defeat or passage of any state or federal legislation;
 - (d) The organization does not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; and
 - (e) Any property sold to the organization for which an exemption is claimed is used by the organization in this state in furtherance of the religious, charitable or educational purposes of the organization.

Sec. 11. 1. Any nonprofit organization created for religious, charitable or educational purposes that wishes to claim an exemption pursuant to section 50.1 of the Sales and Use Tax Act of 1955, being chapter 397, Statutes of Nevada 1955, must file an application with the department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the department.

2. If the department determines that the organization is created for religious, charitable or educational purposes, it shall issue a letter of exemption to the organization. The letter of exemption expires 5 years after the date on which it is issued by the department. At least 90 days before the expiration of the letter of exemption, the department shall notify the organization to whom the letter was issued of the date on which the letter will expire. The organization may renew its letter of exemption for an additional 5 years by filing an application for renewal with the department. The application for renewal must be on a form and contain such information as is required by the department.

3. To claim an exemption pursuant to section 50.1 of the Sales and Use Tax Act of 1955, being chapter 397, Statutes of Nevada 1955, for the sale of tangible personal property to such an organization:

- (a) The organization must give a copy of its letter of exemption to the retailer from whom the organization purchases the property; and

- (b) The retailer must retain and present upon request a copy of the letter of exemption.

4. The department shall adopt such regulations as are necessary to carry out the provisions of this section.

Sec. 12. Chapter 374 of NRS is hereby amended by adding thereto the provisions set forth as sections 13, 14 and 15 of this act.

Sec. 13. *There are exempted from the taxes imposed by this chapter the gross receipts from the sale of, and the storage, use or other consumption in this state of, any tangible personal property sold by or to a nonprofit organization created for religious, charitable or educational purposes.*

Sec. 14. 1. *For the purposes of section 13 of this act, an organization is created for religious, charitable or educational purposes if it complies with the provisions of this section.*

2. An organization is created for religious purposes if:

(a) It complies with the requirements set forth in subsection 5; and

(b) The sole or primary purpose of the organization is the operation of a church, synagogue or other place of religious worship at which nonprofit religious services and activities are regularly conducted. Such an organization includes, without limitation, an integrated auxiliary or affiliate of the organization, men's, women's or youth groups established by the organization, a school or mission society operated by the organization, an organization of local units of a church and a convention or association of churches.

3. An organization is created for charitable purposes if:

(a) It complies with the requirements set forth in subsection 5;

(b) The sole or primary purpose of the organization is to:

(1) Advance a public purpose, donate or render gratuitously or at a reduced rate a substantial portion of its services to the persons who are the subjects of its charitable services, and benefit a substantial and indefinite class of persons who are the legitimate subjects of charity; or

(2) Provide services that are otherwise required to be provided by a local government, this state or the Federal Government; and

(c) The organization is operating in this state.

4. An organization is created for educational purposes if:

(a) It complies with the requirements set forth in subsection 5; and

(b) The sole or primary purpose of the organization is to:

(1) Provide athletic, cultural or social activities for children;

(2) Provide displays or performances of the visual or performing arts to members of the general public;

(3) Provide instruction and disseminate information on subjects beneficial to the community; or

(4) Operate a school, college or university located in this state that conducts regular classes and provides courses of study required for accreditation or licensing by the state board of education or the commission of postsecondary education, or for membership in the Northwest Association of Schools and Colleges.

5. In addition to the requirements set forth in subsection 2, 3 or 4, an organization is created for religious, charitable or educational purposes if:

(a) No part of the net earnings of any such organization inures to the benefit of a private shareholder, individual or entity;

(b) The business of the organization is not conducted for profit;

(c) No substantial part of the business of the organization is devoted to the advocacy of any political principle or the defeat or passage of any state or federal legislation;

(d) The organization does not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office; and

(e) Any property sold to the organization for which an exemption is claimed is used by the organization in this state in furtherance of the religious, charitable or educational purposes of the organization.

Sec. 15. 1. *Any nonprofit organization created for religious, charitable or educational purposes that wishes to claim an exemption pursuant to section 13 of this act must file an application with the department to obtain a letter of exemption. The application must be on a form and contain such information as is required by the department.*

2. If the department determines that the organization is created for religious, charitable or

educational purposes, it shall issue a letter of exemption to the organization. The letter of exemption expires 5 years after the date on which it is issued by the department. At least 90 days before the expiration of the letter of exemption, the department shall notify the organization to whom the letter was issued of the date on which the letter will expire. The organization may renew its letter of exemption for an additional 5 years by filing an application for renewal with the department. The application for renewal must be on a form and contain such information as is required by the department.

3. To claim an exemption pursuant to section 13 of this act for the sale of tangible personal property to such an organization:

(a) The organization must give a copy of its letter of exemption to the retailer from whom the organization purchases the property; and

(b) The retailer must retain and present upon request a copy of the letter of exemption.

4. The department shall adopt such regulations as are necessary to carry out the provisions of this section.

Sec. 16. NRS 374.330 is hereby amended to read as follows:

374.330 There are exempted from the computation of the amount of the sales tax the gross receipts from the sale of any tangible personal property to:

1. The United States, its unincorporated agencies and instrumentalities.
2. Any incorporated agency or instrumentality of the United States wholly owned by the United States or by a corporation wholly owned by the United States.
3. The State of Nevada, its unincorporated agencies and instrumentalities.
4. Any county, city, district or other political subdivision of this state.
- [5. Any organization created for religious, charitable or eleemosynary purposes, provided that no part of the net earnings of any such organization inures to the benefit of any private shareholder or individual.]

Sec. 17. Sections 9 to 16, inclusive, of this act become effective on January 1, 1997, only if the question provided for in section 3 of this act is approved by the voters at the general election on November 5, 1996.

QUESTION NO. 15

Amendment to the Sales and Use Tax Act of 1955

Senate Bill 311 of the 68th Session

CONDENSATION (ballot question)

Shall the existing exemption from the sales and use taxes for aircraft purchased or used by commercial air carriers based in Nevada and major components of those aircraft be expanded:

- 1) To apply to purchases or uses by commercial air carriers based in other states; and
- 2) To include machinery, tools and equipment used to repair, remodel or maintain certain aircraft, aircraft engines or component parts of aircraft or aircraft engines?

Yes .145, .608. ☐

No .270, .546. ☒

EXPLANATION

Nevada law currently exempts from sales and use taxes the sale of aircraft and major components of aircraft by commercial air carriers based in this state. This exemption has been challenged on constitutional grounds because it discriminates against carriers based in other states. The proposed amendment to the Sales and Use Tax Act of 1955 would expand the existing exemption to include commercial air carriers based outside the state. The proposal would also provide an exemption for tools, machinery, and other equipment and parts used in maintaining, repairing, or remodeling certain aircraft, aircraft engines or component parts of aircraft or aircraft engines. This proposal affects only the state's portion of the sales and use taxes. The Legislature has already exempted these items from the Local School Support Tax and City-County Relief Tax.

ARGUMENTS FOR PASSAGE

Almost all states exempt aircraft and components of aircraft from sales taxes. The proposed amendment is needed to comply with the Commerce Clause of the U.S. Constitution and to protect the current exemption from constitutional challenges. If the exemption, as currently written, is declared unconstitutional, Nevada could lose important sources of revenue and many jobs associated with the airline industry.

Commercial air carriers are unlikely to perform significant maintenance to aircraft in a state that does not exempt components of aircraft from sales and use taxes. Aircraft are highly mobile assets which are easily flown great distances to maintenance facilities. Nevada is competing with other states and countries to provide these services. Therefore, the passage of this proposal will make Nevada a more attractive location in which to base an airline or build major maintenance facilities that would provide jobs and other economic benefits to Nevadans.

ARGUMENTS AGAINST PASSAGE

Nevada should not expand the existing exemption from the sales tax, even for the purpose of

promoting economic development of aircraft maintenance facilities in the state. The constitutional challenges result from the fact that Nevada's current law provides a tax exemption to commercial air carriers based in Nevada, which it does not equally provide to out-of-state carriers. It would be constitutional to treat all air carriers equally by eliminating the entire exemption, instead of expanding it. Eliminating the entire exemption would increase the tax revenue collected in this state.

FISCAL NOTE

Financial Impact - Yes. The proposal would expand the exemption from the state portion (2%) of the Sales and Use Tax Act of 1955 provided for aircraft and major components of aircraft. Approval of this question would result in revenue losses to the state.

FULL TEXT OF THE MEASURE

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to revise and clarify the provisions governing the exemption for aircraft and parts of aircraft; clarifying the provisions governing the administration of the existing exemption for aircraft and parts of aircraft; contingently creating the same exemption from certain analogous taxes; and providing other matters properly relating thereto.

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

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

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

Section 1. Section 61.5 of the above-entitled act, being chapter 397, Statutes of Nevada 1955, at page 762, as added by chapter 466, Statutes of Nevada 1985, at page 1441, is hereby amended to read as follows:

Sec. 61.5 There are exempted from the taxes imposed by this act the gross receipts from the sale [of aircraft and major components] , *and the storage, use or other consumption in this state of:*

1. *Aircraft, aircraft engines and component parts of aircraft* [, such as engines and other components made for use only in aircraft, to an air carrier which:

1. Holds a certificate to engage in air transportation issued pursuant to 49 U.S.C. § 1371 and is not solely a charter air carrier or a supplemental air carrier as described in Title 49 of the United States Code; and

2. Maintains its central office in Nevada and bases a majority of its aircraft in Nevada.] *or aircraft engines which are manufactured exclusively for use in aircraft, sold or purchased for lease to a commercial air carrier for use in the transportation of persons or property in intrastate, interstate or foreign commerce pursuant to a certificate or license issued to the air carrier authorizing such transportation; and*

2. *Machinery, tools and other equipment and parts which are used exclusively in the repair, remodeling or maintenance of aircraft, aircraft engines or component parts of aircraft or aircraft engines which meet the requirements of subsection 1.*

Sec. 2. This act becomes effective on January 1, 1997.

QUESTION NO. 16

Amendment to Nevada State Law

Senate Bill 546 of the 68th Session

CONDENSATION (ballot question)

Shall a bill that imposes or increases a tax or assessment be considered and approved twice for final passage by each house of the Nevada Legislature before such a bill may be enacted?

Yes 255,830 ☒
No 164,709 ☐

EXPLANATION

The proposed amendment to state law would require each house of the Nevada Legislature to consider and approve twice any bill that imposes or increases a tax or assessment. Additionally, the measure would require a period of 10 calendar days to elapse between the first and second votes in each house on any such bill. Also, the final vote on such a bill would be void unless it is taken at least 10 days before the adjournment of a regular legislative session.

The proposed amendment, if approved, will become effective on January 1, 1997, only if a majority of the voters reject Question No. 11. That proposal would require a two-thirds majority vote of both houses of the Nevada Legislature to pass a bill or joint resolution that increases public revenue.

ARGUMENTS FOR PASSAGE

The proposed amendment provides a better method of approving new or increased taxes or assessments than Question No. 11. This proposal is based on the democratic principle of "majority rule." Question No. 11, on the other hand, allows a minority of state legislators to control state policy over the wishes of a majority of those elected. In addition, Question No. 16 provides safeguards against hasty decisions concerning taxation and could limit increases in taxes and assessments.

ARGUMENTS AGAINST PASSAGE

The proposed amendment would hinder the Nevada Legislature's ability to provide necessary revenue for the operation of schools and state government by placing additional requirements on the manner in which legislation is approved. Further, this special provision is not required for other important laws approved by the Legislature and is an unnecessary departure from the requirements contained in the Nevada Constitution. The current provisions have served Nevada well for over 130 years and should not be amended.

FISCAL NOTE

Financial Impact - No. The proposal would require any bill which imposes or increases taxes or assessments to be approved twice in each House of the Nevada Legislature before it may be enacted. The proposal would have no adverse fiscal effect.

FULL TEXT OF THE MEASURE

AN ACT relating to legislation; providing for the submission to the voters of the question whether a bill that imposes or increases a tax or assessment must be considered and approved twice for final passage by each house of the legislature before it may be enacted; and providing other matters properly relating thereto.

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

Section 1. Chapter 218 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A bill that imposes or increases a tax or assessment must be considered and approved twice for final passage in each house. A period of at least 10 calendar days must elapse between the date of the first vote on final passage and the date of the additional reading and second vote on final passage required by this subsection. The second vote on final passage of such a bill is void unless it is taken at least 10 calendar days before the adjournment sine die of a regular session of the legislature.

2. Except as otherwise provided in this subsection, no substantive amendments may be made to a bill that imposes or increases a tax or assessment between the first vote and second vote on final passage. Such a bill may be amended between the first vote and second vote on final passage if legislation which conflicts with any provision of the bill is enrolled during the period between the first vote and second vote on final passage of that bill.

Sec. 2. NRS 218.300 is hereby amended to read as follows:

218.300 1. The superintendent of the state printing and micrographics division of the department of administration shall, immediately after receipt of the copy of any bill or resolution, print, in addition to the regular authorized number, one copy thereof upon heavy buff paper, which copy must be delivered to the secretary of the senate or to the chief clerk of the assembly. [Before] *Except as otherwise provided in subsection 2, before the third reading and final passage of the bill or resolution, the legislative counsel shall carefully compare the printed or reprinted copy of the bill or resolution with the duplicate copy thereof and the original amendments as adopted by the house, and, if the printed or reprinted copy is found to be in all respects correct, the legislative counsel shall then certify to the correctness of the bound copy and shall deliver the [same] bound copy to the secretary of the senate or the chief clerk of the assembly as the case may be, whereupon the bound copy printed upon buff paper, so compared and certified, is ready for third reading and final passage.*

2. The legislative counsel shall compare, certify and deliver the bound copy of a bill that imposes or increases a tax or assessment in accordance with the provisions of subsection 1 before the additional reading and second vote on final passage required by section 1 of this act.

Sec. 3. NRS 218.340 is hereby amended to read as follows:

218.340 When any bill or resolution is passed by both houses, the secretary of the senate or the chief clerk of the assembly shall immediately transmit the same to the legislative counsel to be enrolled, and shall take his receipt therefor. The receipt [shall] *must* bear the date of delivery and [shall give] *include* the bill or resolution number. The fact that the bill or resolution was received by

the legislative counsel [shall] *must* be noted as a part of the history of the bill or resolution. When the [same shall have been] *bill or resolution* is duly and regularly enrolled and delivered to the governor, as provided by NRS 218.280 to 218.440, inclusive [(in all cases where] , *and section 1 of this act, if it is required to be so delivered , [D,]* the fact of [such] *that* delivery and the date thereof [shall] *must* also be noted, over the signature of the legislative counsel, as a part of the history of the bill or resolution.

Sec. 5. 1. This section and section 4 of this act become effective on October 1, 1995.

2. Sections 1, 2 and 3 of this act become effective on January 1, 1997, if and only if a majority of the voters voting on the question submitted pursuant to section 4 of this act votes affirmatively and the question which was first approved by the voters as Question No. 11 on the ballot for the general election on November 8, 1994, is not approved by the voters when resubmitted on the ballot for the general election on November 5, 1996.

QUESTION NO. 17

An Initiative Relating to Term Limits

CONDENSATION (ballot question)

Shall the Nevada Constitution be amended to instruct Nevada's Congressional delegation and members of the State Legislature to provide for term limits for members of the U.S. House of Representatives and the U.S. Senate through action of the Congress or through a Constitutional Convention, and shall the Nevada Constitution be further amended to inform voters how their elected representatives have acted in regard to this issue?

Yes .. 225,612 ☒

No .. 198,802 ☐

EXPLANATION

Neither the U.S. Constitution nor the Nevada Constitution limits the number of terms to which a person may be elected to the U.S. House of Representatives or the U.S. Senate. This amendment proposes to limit a Representative to no more than three (3) terms in office or six (6) years and to limit a Senator to no more than two (2) terms in office or twelve (12) years. If a person holds one of these offices at the time of ratification of this amendment, that term will count as one (1) of those allowed by the amendment. Members of Nevada's Congressional delegation are instructed to pass the Congressional term limits amendment to the U.S. Constitution. The Nevada State Legislature is also instructed to make application to the U.S. Congress to call a Constitutional Convention for proposing amendments to the U.S. Constitution. All candidates for the U.S. Senate, the U.S. House of Representatives, and the Nevada State Legislature would be judged on mandated criteria to determine if each worked fully to ensure enactment of the Congressional term limits amendment. The Nevada Secretary of State would inform voters of a candidate's failure to act accordingly by placing an informational statement next to that candidate's name on the ballot.

ARGUMENTS FOR PASSAGE

Proponents argue that term limits are necessary to remove career politicians from the U.S. Congress and to reduce the power of the seniority system so that all members of Congress, whether old or new, have the same amount of power. Enactment of term limits may lessen the power of lobbyists and special interest groups because these elected officials will only be in office for a limited amount of time. Members of Congress would have the opportunity to focus on the issues instead of their own reelection campaigns. The proposal would ensure that term limits are enacted by one of

the methods for amending the U.S. Constitution: direct action of Congress to be ratified by the states, or a Constitutional Convention. Proponents argue that citizens have a right to know whether or not their elected representatives have followed the instructions contained in this term limits proposal so informed decisions can be made at subsequent elections.

ARGUMENTS AGAINST PASSAGE

Opponents argue that the proposal contains methods for calling a Constitutional Convention, a process which is viewed as a dangerous and unsatisfactory method of effecting change. Opponents argue that such a convention could not be limited to consideration of just term limits as an issue, but would leave the U.S. Constitution open to wholesale revision. Others argue that voters already have the power to limit the terms of members of Congress through the act of voting. Experienced members of Congress will not be allowed to run for reelection. Members who have done a good job and been responsive to the voters would nonetheless be ineligible to continue to serve. Since they cannot be reelected, Senators and Congressmen will not be accountable to the voters in their final terms in office. Opponents argue that the printed informational statement to appear on the ballots would be unfair to the candidates and misleading to the voters.

FISCAL NOTE

Fiscal Impact-No. The proposal to amend the Nevada Constitution would require action by Nevada's Congressional delegation, State Legislature and the Secretary of State's Office regarding term limits. The proposed requirements would have no adverse fiscal effect.

FULL TEXT OF THE MEASURE

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

SECTION A. BALLOT TITLE

THE CONGRESSIONAL TERM LIMITS ACT OF 1996. THIS AMENDMENT TO THE CONSTITUTION OF NEVADA INFORMS CITIZENS ON THE VOTING RECORD OF INCUMBENT STATE AND FEDERAL LEGISLATORS ON A FEDERAL CONSTITUTIONAL AMENDMENT LIMITING THE MEMBERS OF THE UNITED STATES HOUSE OF REPRESENTATIVES TO THREE TERMS AND MEMBERS OF THE UNITED STATES SENATE TO TWO TERMS. THIS AMENDMENT ALSO INFORMS THE VOTERS ABOUT THE POSITION OF NON-INCUMBENT CANDIDATES TOWARD THE SAME CONGRESSIONAL TERM LIMITS. THIS AMENDMENT INSTRUCTS STATE LEGISLATORS TO APPLY TO THE CONGRESS TO CONVENE AN ARTICLE 5 CONVENTION UPON THE APPLICATIONS OF TWO-THIRDS OF THE STATES (34) FOR THE PURPOSE OF PROPOSING AN AMENDMENT TO THE UNITED STATES CONSTITUTION TO LIMIT CONGRESSIONAL TERMS TO THREE TERMS IN THE UNITED STATES HOUSE OF REPRESENTATIVES AND TWO TERMS IN THE UNITED

STATES SENATE. THIS AMENDMENT INSTRUCTS MEMBERS OF CONGRESS FROM NEVADA TO WORK TO PROPOSE A CONGRESSIONAL TERM LIMITS AMENDMENT TO THE CONSTITUTION. A TERM LIMITS AMENDMENT PROPOSED EITHER BY CONGRESS OR BY AN ARTICLE 5 CONVENTION WOULD BECOME PART OF THE UNITED STATES CONSTITUTION UPON RATIFICATION BY THREE-FOURTHS OF THE STATES (38).

SECTION B. PREAMBLE

The People of the State of Nevada want to amend the United States Constitution to establish Term Limits on Congress that will ensure representation in Congress by true citizen lawmakers. The President of the United States is limited by the XXII Amendment to two terms in office. Governors in forty (40) states are limited to two terms or less. Voters have established term limits for over 2,000 state legislators as well as over 17,000 local officials across the country. Nevada voters have supported such limits.

Nevertheless Congress has ignored our desire for Term Limits not only by proposing excessively long terms for its own members but also by utterly refusing to pass an amendment for genuine Congressional term limits. Congress has a clear conflict of interest in proposing a term limits amendment to the United States Constitution. A majority of both Republicans and Democrats in the 104th Congress voted against a constitutional amendment containing the term limits passed by a wide margin of Nevada voters.

The People, not Congress, should set Term Limits. We hereby establish as the official position of the Citizens and State of Nevada that our elected officials should enact by Constitutional Amendment congressional Term Limits of three (3) terms in the United States House of Representatives, and of two (2) terms in the United States Senate.

The career politicians dominating Congress have a conflict of interest that prevents Congress from being what the Founders intended, the branch of government closest to the people. The politicians have refused to heed the will of the people for term limits; they have voted to dramatically raise their own pay; they have provided lavish million dollar pensions for themselves; and they have granted themselves numerous other privileges at the expense of the people. Most importantly, members of Congress have enriched themselves while running up huge deficits to support their spending. They have put the government nearly \$5,000,000,000,000.00 (five trillion dollars) in debt, gravely threatening the future of our children and grandchildren.

The corruption and appearance of corruption brought about by political careerism is destructive to the proper functioning of the first branch of our representative government. Congress has grown increasingly distant from the People of the States. The People have the sovereign right and a compelling interest in creating a citizen Congress that will more effectively protect our freedom and prosperity. This interest and right may not effectively be served in any way other than that proposed by this initiative.

We hereby state our intention on behalf of the People of Nevada, that this Amendment lead to the adoption of the following Constitutional Amendment:

CONGRESSIONAL TERM LIMITS AMENDMENT

Section 1. No person shall serve in the office of the United States Representative for more than three terms, but upon ratification of this amendment no person who has held the office of United States Representative or who then holds the office shall serve for more than two additional terms.

Section 2. No person shall serve in the office of United States Senator for more than two terms, but upon ratification of this amendment no person who has held the office of United States Senator or who then holds the office shall serve for more than one additional term.

Section 3. This article shall have no time limit within which it must be ratified by the legislatures of three-fourths of the several States.

Therefore, We, the People of the State of Nevada, have chosen to amend the state constitution to inform voters regarding incumbent and non-incumbent federal and state legislative candidates' support for the above proposed CONGRESSIONAL TERM LIMITS AMENDMENT.

SECTION C. VOTER INSTRUCTION ON TERM LIMITS FOR MEMBERS OF CONGRESS

1. We, the Voters of Nevada, hereby instruct each member of our congressional delegation to use all of his or her delegated powers to pass the Congressional Term Limits Amendment set forth above.

2. All primary and general election ballots shall have printed the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" adjacent to the name of any United States Senator or Representative who:

- a. fails to vote in favor of the proposed Congressional Term Limits Amendment set forth above when brought to a vote or;
- b. fails to second the proposed Congressional Term Limits Amendment set forth above if it lacks for a second before any proceeding of the legislative body or;
- c. fails to propose or otherwise bring to a vote of the full legislative body the proposed Congressional Term Limits Amendment set forth above if it otherwise lacks a legislator who so proposes or brings to a vote of the full legislative body the proposed Congressional Term Limits Amendment set forth above or;
- d. fails to vote in favor of all votes bringing the proposed Congressional Term Limits Amendment set forth above before any committee or subcommittee of the respective house upon which he or she serves or;
- e. fails to reject any attempt to delay, table or otherwise prevent a vote by the full legislative body of the proposed Congressional Term Limits Amendment

- set forth above or;
- f. fails to vote against any proposed constitutional amendment that would establish longer term limits than those in the proposed Congressional Term Limits Amendment set forth above regardless of any other actions in support of the proposed Congressional Term Limits Amendment set forth above or;
 - g. sponsors or cosponsors any proposed constitutional amendment or law that would establish longer term limits than those in the proposed Congressional Term Limits Amendment set forth above, or;
 - h. fails to ensure that all votes on Congressional Term Limits are recorded and made available to the public.

3. The information DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" shall not appear adjacent to the name of any incumbent candidates for Congress if the Congressional Term Limits Amendment set forth above is before the states for ratification or has become part of the United States Constitution.

SECTION D. VOTER INSTRUCTION ON TERM LIMIT PLEDGE FOR NON-INCUMBENTS

1. Non-incumbent candidates for United States Senator and Representative, and the Nevada Legislature shall be given an opportunity to take a "Term Limits" pledge regarding Term Limits each time he or she files to run for such office. Any such candidate who declines to take the "Term Limits" pledge shall have the information "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS" printed adjacent to his or her name on every primary and general election ballot.

2. The "Term Limits" pledge shall be offered to non-incumbent candidates for United States Senator and Representative, and the Nevada Legislature until a Constitutional Amendment which limits the number of terms of United States Senators to no more than two and United States Representatives to no more than three shall have become part of our United States Constitution.

3. The "Term Limits" pledge that each non-incumbent candidate, set forth above, shall be offered is as follows:

I support term limits and pledge to use all my legislative powers to enact the proposed Constitutional Amendment set forth in the Term Limits Act of 1996. If elected, I pledge to vote in such a way that the designation "DISREGARDED VOTER INSTRUCTION ON TERM LIMITS" will not appear adjacent to my name.

Signature of Candidate

SECTION E. VOTER INSTRUCTION ON TERM LIMITS FOR STATE LEGISLATORS

1. We, the Voters of Nevada, hereby instruct each member of the Nevada Legislature to use all of his or her delegated powers to pass the Article 5 application to Congress set forth herein, and to ratify, if proposed, the Congressional Term Limits Amendment set forth above.

2. Application:

We, the People and Legislature of the State of Nevada, due to our desire to establish term limits on Congress, hereby make application to Congress, pursuant to our power under Article 5, to call a convention for proposing amendments to the Constitution.

3. All primary and general election ballots shall have the information "DISREGARDED VOTER INSTRUCTION ON TERM LIMITS" printed adjacent to the name of any respective member of the Nevada Legislature who:

- a. fails to vote in favor of the application set forth above when brought to a vote or;
- b. fails to second the application set forth above if it lacks for a second or;
- c. fails to vote in favor of all votes bringing the application set forth above before any committee or subcommittee upon which he or she serves;
- d. fails to propose or otherwise bring to a vote of the full legislative body the application set forth above if it otherwise lacks a legislator who so proposes or brings to a vote of the full legislative body the application set forth above or;
- e. fails to vote against any attempt to delay, table or otherwise prevent a vote by the full legislative body of the application set forth above or;
- f. fails in any way to ensure that all votes on the application set forth above are recorded and made available to the public or;
- g. fails to vote against any change, addition or modification to the application set forth above or;
- h. fails to vote in favor of the amendment set forth above if it is sent to the states for ratification or;
- i. fails to vote against any term limits amendment, with longer terms if such an amendment is sent to the states for ratification.

4. The information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" shall not appear adjacent to the names of candidates for the Nevada Legislature as required by any of subsections 3 (a) through 3 (g) if the State of Nevada has made an application to Congress for a convention for proposing amendments to the Constitution pursuant to this act and such application has not been withdrawn or, the Congressional Term Limits Amendment set forth in this act has been submitted to the states for ratification.

5. The information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" shall not appear adjacent to the names of candidates for the Nevada Legislature as required by any of subsections 3 (h) through 3 (i) if the State of Nevada has ratified the proposed Congressional Term Limits Amendment set forth in this act.

6. The information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" shall not appear adjacent to the names of candidates for the Nevada Legislature as required by any of subsections 3 (a) through 3 (i) if the proposed Congressional Term Limits Amendment set forth above has become part of the United States Constitution.

SECTION F. DESIGNATION

1. The Secretary of State shall be responsible to make an accurate determination as to whether a candidate for the federal or state legislature shall have placed adjacent to his or her name on the election ballot the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" or "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS."

2. The Secretary of State shall consider timely submitted public comments prior to making the determination required in subsection (1) of this section and may rely on such comments and any information submitted by the candidates in making the determination required in subsection (1).

3. The Secretary of State, in accordance with subsection (1) of this section shall determine and declare what information, if any, shall appear adjacent to the names of each incumbent federal legislator if he or she was to be a candidate in the next election. In the case of United States Representatives and United States Senators, this determination and declaration shall be made in a fashion necessary to ensure the orderly printing of primary and general election ballots with allowance made for all legal action provided in section (5) and (6) below, and shall be based upon each member of Congress's action during their current term of office and any action taken in any concluded term, if such action was taken after the determination and declaration was made by the Secretary of State in a previous election. In the case of incumbent state legislators, this determination and declaration shall be made not later than (30) days after the end of the regular session following each general election, and shall be based upon legislative action in the previous regular session and any action taken in any concluded term, if such action was taken after the determination and declaration was made by the Secretary of State in a previous election.

4. The Secretary of State shall determine and declare what information, if any, will appear adjacent to the names of non-incumbent candidates for the state and federal legislatures, not later than five (5) business days after the deadline for filing for the office.

5. If the Secretary of State makes the determination that the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" or "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS" shall not be placed on the ballot adjacent to the name of a candidate for the federal or state legislature, any elector may appeal such decision within five (5) business days to the Nevada Supreme Court as an original action or shall waive any right to appeal such decision; in which case the burden of proof shall be upon the Secretary of State to demonstrate by clear and convincing evidence that the candidate has met the requirements set forth in this Act and therefore should not have the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" or "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS" printed on the ballot adjacent to the candidate's name.

6. If the Secretary of State determines that the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" or "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS" shall be placed on the ballot adjacent to a candidate's name, the candidate may appeal such decision within (5) business days to the Nevada Supreme Court as an original action or shall waive any right to appeal such decision; in which case the burden of proof shall be upon the candidate to demonstrate by clear and convincing evidence that he or she should not have the information "DISREGARDED VOTERS' INSTRUCTION ON TERM LIMITS" or "DECLINED TO PLEDGE TO SUPPORT TERM LIMITS" printed on the ballot adjacent to the candidate's name.

7. The Supreme Court shall hear the appeal provided for in subsection (5) and issue a decision within 60 days. The Supreme Court shall hear the appeal provided for in subsection (6) and issue a decision not later than 61 days before the date of the election.

SECTION G. AUTOMATIC REPEAL

At such time as the Congressional Term Limits Amendment set forth above has become part of the U.S. Constitution, sections A through section I of this Article automatically shall be repealed.

SECTION H. JURISDICTION

Any legal challenge to this amendment shall be filed as an original action before the Supreme Court of this state.

SECTION I. SEVERABILITY

If any portion, clause, or phrase of this initiative is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, the remaining portions, clauses, and phrases shall not be affected, but shall remain in full force and effect.