

**S.B. 382**

SENATE BILL NO. 382—SENATORS AMODEI, CARE, SCHNEIDER, CEGAVSKE, NOLAN, O’CONNELL, RHOADS, SHAFFER, TIFFANY AND WASHINGTON

MARCH 17, 2003

Referred to Committee on Taxation

SUMMARY—Makes various changes to provisions governing public financial administration. (BDR 32-721)

FISCAL NOTE: Effect on Local Government: Yes.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public financial administration; imposing a tax on the admission charge to a place where entertainment is provided; imposing a tax for the privilege of providing certain services in this state; revising the taxes on liquor, cigarettes and the privilege of conducting business in this state; increasing various fees collected by the Secretary of State; imposing a state tax on the rental of transient lodging; revising the formula for calculating the limit upon total proposed expenditures from the State General Fund for purposes other than construction; revising the fees charged for certain gaming licenses; providing penalties; and providing other matters properly relating thereto.

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

1     **Section 1.** Title 32 of NRS is hereby amended by adding  
2 thereto a new chapter to consist of the provisions set forth as  
3 sections 2 to 28, inclusive, of this act.

4     **Sec. 2.** *As used in this chapter, unless the context otherwise*  
5 *requires, the words and terms defined in sections 3 to 6, inclusive,*  
6 *of this act have the meanings ascribed to them in those sections.*



1       **Sec. 3.** *“Admission charge” means the total amount,*  
2 *expressed in terms of money:*  
3       1. *Of any consideration provided, whether directly or*  
4 *indirectly, for the right or privilege to have access to a place or*  
5 *location where entertainment is provided; and*  
6       2. *If any consideration is otherwise required for the right or*  
7 *privilege to have access to a place or location where entertainment*  
8 *is provided and all or part of that consideration is waived as part*  
9 *of a promotional or marketing plan, the total amount of the*  
10 *consideration that would otherwise be required.*  
11       **Sec. 4.** *“Commission” means the Nevada Tax Commission.*  
12       **Sec. 5.** *“Entertainment” means any activity provided for*  
13 *participants or spectators, or both, for pleasure, enjoyment,*  
14 *recreation, relaxation, diversion or another similar purpose.*  
15       **Sec. 6.** *“Taxpayer” means any person liable for a tax*  
16 *imposed pursuant to this chapter.*  
17       **Sec. 7.** *The Department shall:*  
18       1. *Administer and enforce the provisions of this chapter, and*  
19 *may adopt such regulations as it deems appropriate for that*  
20 *purpose.*  
21       2. *Deposit all taxes, interest and penalties it receives pursuant*  
22 *to this chapter in the State Treasury for credit to the State General*  
23 *Fund.*  
24       **Sec. 8.** 1. *Each person responsible for maintaining the*  
25 *records of a taxpayer shall:*  
26       (a) *Keep such records as may be necessary to determine the*  
27 *amount of the liability of the taxpayer pursuant to the provisions*  
28 *of this chapter;*  
29       (b) *Preserve those records for 4 years or until any litigation or*  
30 *prosecution pursuant to this chapter is finally determined,*  
31 *whichever is longer; and*  
32       (c) *Make the records available for inspection by the*  
33 *Department upon demand at reasonable times during regular*  
34 *business hours.*  
35       2. *The Department may by regulation specify the types of*  
36 *records which must be kept to determine the amount of the*  
37 *liability of a taxpayer pursuant to the provisions of this chapter.*  
38       3. *Any person who violates the provisions of subsection 1 is*  
39 *guilty of a misdemeanor.*  
40       **Sec. 9.** 1. *To verify the accuracy of any return filed or, if*  
41 *no return is filed by a taxpayer, to determine the amount required*  
42 *to be paid, the Department, or any person authorized in writing by*  
43 *it, may, during regular business hours, examine the books, papers*  
44 *and records of any person who may be liable for a tax imposed by*  
45 *this chapter.*



1       2. Any person who may be liable for a tax imposed by this  
2 chapter and who keeps outside of this state any books, papers and  
3 records relating thereto, shall pay to the Department an amount  
4 equal to the allowance provided for state officers and employees  
5 generally while traveling outside of the State for each day or  
6 fraction thereof during which an employee of the Department is  
7 engaged in examining those documents, plus any other actual  
8 expenses incurred by the employee while he is absent from his  
9 regular place of employment to examine those documents.

10       **Sec. 10.** 1. Except as otherwise provided in this section and  
11 NRS 360.250, the records and files of the Department concerning  
12 the administration of this chapter are confidential and privileged.  
13 The Department, and any employee engaged in the administration  
14 of this chapter or charged with the custody of any such records or  
15 files, shall not disclose any information obtained from the  
16 Department's records or files or from any examination,  
17 investigation or hearing authorized by the provisions of this  
18 chapter. Neither the Department nor any employee of the  
19 Department may be required to produce any of the records, files  
20 and information for the inspection of any person or for use in any  
21 action or proceeding.

22       2. The records and files of the Department concerning the  
23 administration of this chapter are not confidential and privileged  
24 in the following cases:

25       (a) Testimony by a member or employee of the Department  
26 and production of records, files and information on behalf of the  
27 Department or a taxpayer in any action or proceeding pursuant to  
28 the provisions of this chapter if that testimony or the records, files  
29 or information, or the facts shown thereby are directly involved in  
30 the action or proceeding.

31       (b) Delivery to a taxpayer or his authorized representative of a  
32 copy of any return or other document filed by the taxpayer  
33 pursuant to this chapter.

34       (c) Publication of statistics so classified as to prevent the  
35 identification of a particular person or document.

36       (d) Exchanges of information with the Internal Revenue  
37 Service in accordance with compacts made and provided for in  
38 such cases.

39       (e) Disclosure in confidence to the Governor or his agent in  
40 the exercise of the Governor's general supervisory powers, or to  
41 any person authorized to audit the accounts of the Department in  
42 pursuance of an audit, or to the Attorney General or other legal  
43 representative of the State in connection with an action or  
44 proceeding pursuant to this chapter, or to any agency of this or



1 *any other state charged with the administration or enforcement of*  
2 *laws relating to taxation.*

3 *(f) Exchanges of information pursuant to subsection 3.*  
4 *3. The Commission may enter into a written agreement with*  
5 *any county fair and recreation board or the governing body of any*  
6 *county, city or town for the continuing exchange of information*  
7 *concerning taxpayers.*

8 **Sec. 11. 1.** *There is hereby imposed an excise tax on the*  
9 *admission charge to any place or location in this state where*  
10 *entertainment is provided at a rate of 3 percent of that portion of*  
11 *each individual admission charge that exceeds \$10.*

12 *2. The person who receives an admission charge is liable for*  
13 *the tax imposed by this section, but is entitled to collect*  
14 *reimbursement from the person paying the admission charge.*

15 *3. Any ticket for admission to a place or location in this state*  
16 *where entertainment is provided must state whether the tax*  
17 *imposed by this section is included in the price of the ticket. If the*  
18 *ticket does not include such a statement, the taxpayer shall pay the*  
19 *tax on the face amount of the ticket.*

20 *4. The tax imposed by this section does not apply to an*  
21 *admission charge:*

22 *(a) Included in the computation of the tax imposed pursuant to*  
23 *NRS 463.401 or any fee imposed pursuant to chapter 467 of NRS;*

24 *(b) Provided to a governmental entity or a public or private*  
25 *educational institution for any entertainment sponsored by such*  
26 *an entity or institution;*

27 *(c) Provided to a nonprofit organization that qualifies as a tax-*  
28 *exempt organization pursuant to 26 U.S.C. § 501(c) or to a person*  
29 *who remits to such a nonprofit organization at least 60 percent of*  
30 *the net revenue from the entertainment for which access is*  
31 *granted; or*

32 *(d) Provided for the right or privilege to have access to a*  
33 *convention, an exhibition or a trade show, if the opportunity for*  
34 *admission is not made available to the general public.*

35 **Sec. 12.** *A taxpayer shall hold the amount of all taxes for*  
36 *which he is liable pursuant to this chapter in a separate account in*  
37 *trust for the State.*

38 **Sec. 13. 1.** *The tax imposed by this chapter is payable to the*  
39 *Department monthly on or before the last day of the month*  
40 *immediately following the month in which liability for the tax*  
41 *arose.*

42 *2. Each taxpayer shall file with the Department a return on a*  
43 *form prescribed by the Department, together with the remittance*  
44 *of any tax due pursuant to this chapter, on or before the last day*



1 of the month immediately following the month in which liability  
2 for the tax arose.

3 **Sec. 14.** A taxpayer may deduct and withhold from the  
4 amount of the taxes otherwise due from him pursuant to this  
5 chapter 1 percent of that amount to reimburse himself for the cost  
6 of collecting, reporting and remitting the taxes if the taxes are  
7 remitted during the first half of the period for which they are due.

8 **Sec. 15.** Upon written application made before the date on  
9 which payment must be made, the Department may for good cause  
10 extend by 30 days the time within which a taxpayer is required to  
11 pay a tax imposed by this chapter. If the tax is paid during the  
12 period of extension, no penalty or late charge may be imposed for  
13 failure to pay at the time required, but the taxpayer shall pay  
14 interest at the rate of 1 percent per month from the date on which  
15 the amount would have been due without the extension until the  
16 date of payment, unless otherwise provided in NRS 360.232 or  
17 360.320.

18 **Sec. 16.** The remedies of the State provided for in this  
19 chapter are cumulative, and no action taken by the Department or  
20 the Attorney General constitutes an election by the State to pursue  
21 any remedy to the exclusion of any other remedy for which  
22 provision is made in this chapter.

23 **Sec. 17.** If the Department determines that any tax, penalty  
24 or interest has been paid more than once or has been erroneously  
25 or illegally collected or computed, the Department shall set forth  
26 that fact in the records of the Department and certify to the State  
27 Board of Examiners the amount collected in excess of the amount  
28 legally due and the person from whom it was collected or by whom  
29 paid. If approved by the State Board of Examiners, the excess  
30 amount collected or paid must be credited on any amounts then  
31 due from the person under this chapter, and the balance refunded  
32 to the person or his successors in interest.

33 **Sec. 18.** 1. Except as otherwise provided in NRS 360.235  
34 and 360.395:

35 (a) No refund may be allowed unless a claim for it is filed with  
36 the Department within 3 years after the last day of the month  
37 following the month for which the overpayment was made.

38 (b) No credit may be allowed after the expiration of the period  
39 specified for filing claims for refund unless a claim for credit is  
40 filed with the Department within that period.

41 2. Each claim must be in writing and must state the specific  
42 grounds upon which the claim is founded.

43 3. Failure to file a claim within the time prescribed in this  
44 chapter constitutes a waiver of any demand against the State on  
45 account of overpayment.



1       4. *Within 30 days after rejecting any claim in whole or in*  
2 *part, the Department shall serve notice of its action on the*  
3 *claimant in the manner prescribed for service of notice of a*  
4 *deficiency determination.*

5       **Sec. 19.** 1. *Except as otherwise provided in this section and*  
6 *NRS 360.320, interest must be paid upon any overpayment of any*  
7 *amount of the taxes imposed by this chapter at the rate of 0.5*  
8 *percent per month, or fraction thereof, from the last day of the*  
9 *calendar month following the month for which the overpayment*  
10 *was made. No refund or credit may be made of any interest*  
11 *imposed upon the person making the overpayment with respect to*  
12 *the amount being refunded or credited.*

13       2. *The interest must be paid:*

14       (a) *In the case of a refund, to the last day of the calendar*  
15 *month following the date upon which the person making the*  
16 *overpayment, if he has not already filed a claim, is notified by*  
17 *the Department that a claim may be filed or the date upon which*  
18 *the claim is certified to the State Board of Examiners, whichever is*  
19 *earlier.*

20       (b) *In the case of a credit, to the same date as that to which*  
21 *interest is computed on the tax or amount against which the credit*  
22 *is applied.*

23       3. *If the Department determines that any overpayment has*  
24 *been made intentionally or by reason of carelessness, the*  
25 *Department shall not allow any interest on the overpayment.*

26       **Sec. 20.** 1. *No injunction, writ of mandate or other legal or*  
27 *equitable process may issue in any suit, action or proceeding in*  
28 *any court against this state or against any officer of the State to*  
29 *prevent or enjoin the collection under this chapter of a tax*  
30 *imposed by this chapter or any amount of tax, penalty or interest*  
31 *required to be collected.*

32       2. *No suit or proceeding may be maintained in any court for*  
33 *the recovery of any amount alleged to have been erroneously or*  
34 *illegally determined or collected unless a claim for refund or credit*  
35 *has been filed.*

36       **Sec. 21.** 1. *Within 90 days after a final decision upon a*  
37 *claim filed pursuant to this chapter is rendered by the*  
38 *Commission, the claimant may bring an action against the*  
39 *Department on the grounds set forth in the claim in a court of*  
40 *competent jurisdiction in Carson City, the county of this state*  
41 *where the claimant resides or maintains his principal place of*  
42 *business, or a county in which any relevant proceedings were*  
43 *conducted by the Department for the recovery of the whole or any*  
44 *part of the amount with respect to which the claim has been*  
45 *disallowed.*



1       2. *Failure to bring an action within the time specified*  
2 *constitutes a waiver of any demand against the State on account of*  
3 *alleged overpayments.*

4       **Sec. 22.** *1. If the Department fails to mail notice of action*  
5 *on a claim within 6 months after the claim is filed, the claimant*  
6 *may consider the claim disallowed and file an appeal with the*  
7 *Commission within 30 days after the last day of the 6-month*  
8 *period. If the claimant is aggrieved by the decision of the*  
9 *Commission rendered on appeal, he may, within 90 days after the*  
10 *decision is rendered, bring an action against the Department on*  
11 *the grounds set forth in the claim for the recovery of the whole or*  
12 *any part of the amount claimed as an overpayment.*

13       2. *If judgment is rendered for the plaintiff, the amount of the*  
14 *judgment must first be credited towards any tax due from the*  
15 *plaintiff.*

16       3. *The balance of the judgment must be refunded to the*  
17 *plaintiff.*

18       **Sec. 23.** *In any judgment, interest must be allowed at the rate*  
19 *of 6 percent per annum upon the amount found to have been*  
20 *illegally collected from the date of payment of the amount to the*  
21 *date of allowance of credit on account of the judgment, or to a*  
22 *date preceding the date of the refund warrant by not more than 30*  
23 *days. The date must be determined by the Department.*

24       **Sec. 24.** *A judgment may not be rendered in favor of the*  
25 *plaintiff in any action brought against the Department to recover*  
26 *any amount paid when the action is brought by or in the name of*  
27 *an assignee of the person paying the amount or by any person*  
28 *other than the person who paid the amount.*

29       **Sec. 25.** *1. The Department may recover a refund or any*  
30 *part thereof which is erroneously made and any credit or part*  
31 *thereof which is erroneously allowed in an action brought in a*  
32 *court of competent jurisdiction in Carson City or Clark County in*  
33 *the name of the State of Nevada.*

34       2. *The action must be tried in Carson City or Clark County*  
35 *unless the court, with the consent of the Attorney General, orders*  
36 *a change of place of trial.*

37       3. *The Attorney General shall prosecute the action, and the*  
38 *provisions of NRS, the Nevada Rules of Civil Procedure and the*  
39 *Nevada Rules of Appellate Procedure relating to service of*  
40 *summons, pleadings, proofs, trials and appeals are applicable to*  
41 *the proceedings.*

42       **Sec. 26.** *1. If any amount in excess of \$25 has been*  
43 *illegally determined, either by the person filing the return or by the*  
44 *Department, the Department shall certify this fact to the State*



1 *Board of Examiners, and the latter shall authorize the*  
2 *cancellation of the amount upon the records of the Department.*

3 *2. If an amount not exceeding \$25 has been illegally*  
4 *determined, either by the person filing a return or by the*  
5 *Department, the Department, without certifying this fact to the*  
6 *State Board of Examiners, shall authorize the cancellation of*  
7 *the amount upon the records of the Department.*

8 **Sec. 27. 1. A person shall not:**

9 *(a) Make, cause to be made or permit to be made any false or*  
10 *fraudulent return or declaration or false statement in any return*  
11 *or declaration, with intent to defraud the State or to evade*  
12 *payment of a tax or any part of a tax imposed by this chapter.*

13 *(b) Make, cause to be made or permit to be made any false*  
14 *entry in books, records or accounts with intent to defraud the State*  
15 *or to evade the payment of a tax or any part of a tax imposed by*  
16 *this chapter.*

17 *(c) Keep, cause to be kept or permit to be kept more than one*  
18 *set of books, records or accounts with intent to defraud the State*  
19 *or to evade the payment of a tax or any part of a tax imposed by*  
20 *this chapter.*

21 *2. Any person who violates the provisions of subsection 1 is*  
22 *guilty of a gross misdemeanor.*

23 **Sec. 28. It is the intent of the Legislature that the tax**  
24 **imposed pursuant to this chapter must not be increased for a**  
25 **period of at least 10 years after January 1, 2004.**

26 **Sec. 29.** Title 32 of NRS is hereby amended by adding thereto  
27 a new chapter to consist of the provisions set forth as sections 30 to  
28 72, inclusive, of this act.

29 **Sec. 30. As used in this chapter, unless the context otherwise**  
30 **requires, the words and terms defined in sections 31 to 37,**  
31 **inclusive, of this act have the meanings ascribed to them in those**  
32 **sections.**

33 **Sec. 31. 1. "Amount charged for service" means the total**  
34 **amount collected by a provider of service for the provision of a**  
35 **service, valued in money, whether received in money or otherwise,**  
36 **without deduction for any cost, expense or loss incurred in**  
37 **providing that service.**

38 *2. The term does not include the amount of the tax imposed*  
39 *by this chapter if added to the amount collected by the provider of*  
40 *service.*

41 **Sec. 32. "Business or profession" includes any activity**  
42 **engaged in by a person, with the object of gain, benefit or**  
43 **advantage, directly or indirectly, whether as a corporation,**  
44 **partnership, proprietorship, business association or other similar**





1 *organization, as a natural person or as an independent contractor.*  
2 *The term does not include the activity of a governmental entity.*  
3 **Sec. 33.** *“Commission” means the Nevada Tax Commission.*  
4 **Sec. 34.** *“Exempted from the taxes imposed by this chapter”*  
5 *means exempted from the computation of the amount of taxes*  
6 *imposed.*  
7 **Sec. 35.** *“In this state” means within the exterior limits of the*  
8 *State of Nevada and includes all territory within these limits*  
9 *owned or ceded to the United States of America.*  
10 **Sec. 36.** *“Provider of service” means a person engaged in a*  
11 *business or profession that provides a service in this state that is*  
12 *not exempted from the taxes imposed by this chapter.*  
13 **Sec. 37.** 1. *“Service” means any result of useful effort that*  
14 *does not produce a tangible commodity.*  
15 2. *The term does not include labor for hire or employment for*  
16 *a salary or commission.*  
17 **Sec. 38.** 1. *A tax is hereby imposed upon each business or*  
18 *profession for the privilege of providing a service in this state at*  
19 *the following rates:*  
20 (a) *For a personal service provided, the business or profession*  
21 *providing the service shall pay a tax at the rate of 3 percent of that*  
22 *portion of the amount charged for service which exceeds \$50.*  
23 (b) *For all other services, the business or profession providing*  
24 *the service shall pay a tax at a rate of 3 percent of the amount*  
25 *charged for service.*  
26 2. *As used in this section “personal service” means a service*  
27 *purchased by a natural person for his personal needs and not for*  
28 *business purposes or for the production of revenue, income or*  
29 *other object of gain, benefit or advantage.*  
30 **Sec. 39.** 1. *Except as otherwise provided in this section, a*  
31 *person shall not conduct a business or profession in this state*  
32 *whose amount charged for service is taxable under this chapter*  
33 *unless he has obtained a permit issued by the Department for each*  
34 *location where he offers his services.*  
35 2. *Each application for a permit must:*  
36 (a) *Be made upon a form prescribed by the Department;*  
37 (b) *Set forth the name under which the applicant provides or*  
38 *intends to provide services and the location of the place or places*  
39 *where services will be provided;*  
40 (c) *Set forth such other information as the Department may*  
41 *require; and*  
42 (d) *Be accompanied by a fee of \$5.*  
43 3. *The application must be signed by:*  
44 (a) *The owner, if the business or profession is owned by a*  
45 *natural person;*



1       (b) A member or partner, if the business or profession is  
2 owned by an association or partnership; or

3       (c) An officer or some other person specifically authorized to  
4 sign the application, if the business or profession is owned by a  
5 corporation. If an application is signed pursuant to this  
6 paragraph, written evidence of the signor's authority must be  
7 attached to the application.

8       4. The provisions of this section do not apply to a business or  
9 profession that has been issued a permit pursuant to NRS 372.135.

10       **Sec. 40.** 1. If the holder of a permit issued pursuant to the  
11 provisions of this chapter fails to comply with a provision of this  
12 chapter or a regulation adopted pursuant thereto, the Department  
13 may revoke or suspend his permit. Before doing so, the  
14 Department must hold a hearing after 10 days' written notice to  
15 the holder of the permit. The notice must specify the time and  
16 place of the hearing and require the holder thereof to show cause  
17 why the permit should not be revoked or suspended.

18       2. If a permit is suspended or revoked, the Department shall  
19 give written notice of the action to the holder of the permit.

20       3. The notices required by this section may be served  
21 personally or by mail in the manner provided in NRS 360.350 for  
22 the service of a notice of the determination of a deficiency.

23       4. The Department shall not issue a new permit to the former  
24 holder of a revoked permit unless it is satisfied that he will comply  
25 with the provisions of this chapter and the regulations of the  
26 Department adopted pursuant thereto.

27       **Sec. 41.** There are exempted from the tax imposed by the  
28 provisions of this chapter the amount charged for service for the  
29 provision of the following services:

30       1. Any service that this state is prohibited from taxing under  
31 the Constitution or laws of the United States or the Constitution of  
32 the State of Nevada.

33       2. Any service by one member of a group of affiliated  
34 enterprises to another member of the same group. For the  
35 purposes of this subsection, enterprises are affiliated if a majority  
36 interest in each enterprise is owned by the same person.

37       3. Any service which is a component of new residential  
38 construction.

39       4. Child care.

40       5. Health care.

41       6. Any service provided by a public utility that is regulated by  
42 the provisions of chapter 704 of NRS.

43       7. Any service related to entertainment, as defined in section  
44 5 of this act.

45       8. Advertising.



1     **9.** *Any service related to the collection and disposal of*  
2 *garbage.*

3     **Sec. 42.** *A provider of service shall hold the amount of all*  
4 *taxes collected pursuant to this chapter in a separate account in*  
5 *trust for the State.*

6     **Sec. 43.** *Except as otherwise provided in section 46 of this*  
7 *act, the taxes imposed by this chapter are payable to the*  
8 *Department monthly on or before the last day of the month*  
9 *immediately following the month in which liability for the tax*  
10 *arose.*

11     **Sec. 44.** *On or before the last day of the month following*  
12 *each reporting period, a return for the preceding period,*  
13 *accompanied by a remittance of the tax due, must be filed by each*  
14 *provider of service with the Department in such form as the*  
15 *Department may prescribe. A return must be signed by the person*  
16 *required to file the return or by his authorized agent but need not*  
17 *be verified by oath.*

18     **Sec. 45. 1.** *If a provider of service:*

19     **(a)** *Is unable to collect all or part of the total amount he*  
20 *charged for a service rendered and the amount was included in*  
21 *the amount charged for service reported for a previous reporting*  
22 *period; and*

23     **(b)** *Has taken a deduction on his federal income tax return*  
24 *pursuant to 26 U.S.C. § 166(a) for the amount which he is unable*  
25 *to collect,*

26 *he is entitled to receive a credit for the amount of tax paid on*  
27 *account of that uncollected amount. The credit may be used*  
28 *against the amount of tax that the provider of service is*  
29 *subsequently required to pay pursuant to this chapter.*

30     **2.** *If the Internal Revenue Service of the Department of the*  
31 *Treasury disallows a deduction described in paragraph (b) of*  
32 *subsection 1 and the provider of service claimed a credit on a*  
33 *return for a previous reporting period pursuant to subsection 1,*  
34 *the provider of service shall include the amount of that credit*  
35 *in the amount of taxes reported pursuant to section 44 of this act*  
36 *in the first return filed with the Department after the deduction is*  
37 *disallowed.*

38     **3.** *If a provider of service claims a credit on a return for a*  
39 *previous reporting period pursuant to subsection 1 and he collects*  
40 *all or part of the amount that was previously uncollected, he shall*  
41 *include:*

42     **(a)** *The amount collected in the amount of service reported*  
43 *pursuant to section 44 of this act; and*

44     **(b)** *The tax payable on the amount collected in the amount of*  
45 *taxes reported pursuant to section 44 of this act,*



1 *in the first return filed with the Department after that collection.*

2 *4. To carry out the provisions of this section, the Department*  
3 *shall use the accounting method used by the provider of service to*  
4 *report amounts charged for service to the Internal Revenue*  
5 *Service.*

6 *5. Any provider of service who files a return that contains one*  
7 *or more violations of the provisions of this section shall pay a*  
8 *penalty of not more than 10 percent of the amount of tax which is*  
9 *owed, as determined by the Department, in addition to the tax*  
10 *owed, plus interest at the rate of 1 percent per month, or fraction*  
11 *of a month, from the last day of the month following the period for*  
12 *which the amount or any portion of the amount should have been*  
13 *reported until the date of payment. The amount of any penalty*  
14 *imposed must be based on a graduated schedule adopted by the*  
15 *Commission that takes into consideration the length of time the*  
16 *tax remained unpaid.*

17 **Sec. 46. 1.** *The reporting and payment period of a provider*  
18 *of service whose taxable amount charged for service does not*  
19 *exceed \$10,000 per month is a calendar quarter.*

20 *2. The Department, if it deems this action necessary to ensure*  
21 *payment to or facilitate the collection by the State of the amount of*  
22 *taxes, may require returns and payment of the amount of taxes for*  
23 *periods other than calendar months or quarters, depending upon*  
24 *the principal place of business of the provider of service, or for*  
25 *other than monthly or quarterly periods.*

26 **Sec. 47.** *The Department for good cause may extend for not*  
27 *to exceed 1 month the time for making any return or paying any*  
28 *amount required to be paid under this chapter.*

29 **Sec. 48. 1.** *A responsible person who willfully fails to*  
30 *collect or pay to the Department the tax imposed by this chapter or*  
31 *who willfully attempts to evade the payment of the tax is jointly*  
32 *and severally liable with the provider of service for the tax owed*  
33 *plus interest and all applicable penalties. The responsible person*  
34 *shall pay the tax upon notice from the Department that it is due.*

35 *2. As used in this section, "responsible person" includes:*

- 36 *(a) An officer or employee of a corporation; and*  
37 *(b) A member or employee of a partnership or limited-liability*  
38 *company,*  
39 *whose job or duty it is to collect, account for or pay to the*  
40 *Department the tax imposed by this chapter.*

41 **Sec. 49. 1.** *The Department, whenever it deems it necessary*  
42 *to ensure compliance with this chapter, may require any person*  
43 *subject to the chapter to place with it such security as the*  
44 *Department may determine. The Department shall fix the amount*  
45 *of the security which, except as otherwise provided in subsection 2,*



1 *may not be greater than twice the estimated average tax due*  
2 *quarterly of persons filing returns for quarterly periods or three*  
3 *times the estimated average tax due monthly of persons filing*  
4 *returns for monthly periods, determined in such manner as the*  
5 *Department deems proper.*

6 2. *In the case of persons who are habitually delinquent in*  
7 *their obligations under this chapter, the amount of the security*  
8 *may not be greater than three times the average actual tax due*  
9 *quarterly of persons filing returns for quarterly periods or five*  
10 *times the average actual tax due monthly of persons filing returns*  
11 *for monthly periods.*

12 3. *The limitations provided in this section apply regardless of*  
13 *the type of security placed with the Department.*

14 4. *The amount of the security may be increased or decreased*  
15 *by the Department subject to the limitations provided in this*  
16 *section.*

17 5. *The Department may sell the security at public auction if it*  
18 *becomes necessary to recover any tax or any amount required to*  
19 *be collected, interest or penalty due. Notice of the sale may be*  
20 *served, personally or by mail, upon the person who placed the*  
21 *security. If the notice is served by mail, service must be made in*  
22 *the manner prescribed for service of a notice of a deficiency*  
23 *determination and must be addressed to the person at his address*  
24 *as it appears in the records of the Department. Security in the*  
25 *form of a bearer bond issued by the United States or the State of*  
26 *Nevada which has a prevailing market price may be sold by the*  
27 *Department at a private sale at a price not lower than the*  
28 *prevailing market price.*

29 6. *Upon any sale, any surplus above the amounts due must be*  
30 *returned to the person who placed the security.*

31 **Sec. 50.** *If the Department determines that any tax, penalty*  
32 *or interest has been paid more than once or has been erroneously*  
33 *or illegally collected or computed, the Department shall set forth*  
34 *that fact in the records of the Department and certify to the State*  
35 *Board of Examiners the amount collected in excess of the amount*  
36 *legally due and the person from whom it was collected or by whom*  
37 *paid. If approved by the State Board of Examiners, the excess*  
38 *amount collected or paid must be credited on any amounts then*  
39 *due from the person under this chapter and the balance refunded*  
40 *to the person, or his successors, administrators or executors.*

41 **Sec. 51.** 1. *Except as otherwise provided in NRS 360.235*  
42 *and 360.395:*

43 (a) *No refund may be allowed unless a claim for it is filed with*  
44 *the Department within 3 years after the last day of the month*



1 following the close of the period for which the overpayment was  
2 made.

3 (b) No credit may be allowed after the expiration of the period  
4 specified for filing claims for a refund unless a claim for credit is  
5 filed with the Department within that period or unless the credit  
6 relates to a period for which a waiver is given pursuant to  
7 NRS 360.355.

8 2. Each claim must be in writing and must state the specific  
9 grounds upon which the claim is founded.

10 3. Failure to file a claim within the time prescribed in this  
11 chapter constitutes a waiver of any demand against the State on  
12 account of overpayment.

13 4. Within 30 days after rejecting any claim in whole or in  
14 part, the Department shall serve notice of its action on the  
15 claimant in the manner prescribed for service of notice of a  
16 deficiency determination.

17 **Sec. 52.** 1. Except as otherwise provided in this section and  
18 NRS 360.320, interest must be paid upon any overpayment of any  
19 amount of the tax imposed by this chapter at the rate of 0.5  
20 percent per month, or fraction thereof, from the last day of the  
21 calendar month following the period for which the overpayment  
22 was made. No refund or credit may be made of any interest  
23 imposed upon the person making the overpayment with respect to  
24 the amount being refunded or credited.

25 2. The interest must be paid:

26 (a) In the case of a refund, to the last day of the calendar  
27 month following the date upon which the person making the  
28 overpayment, if he has not already filed a claim, is notified by  
29 the Department that a claim may be filed or the date upon which  
30 the claim is certified to the State Board of Examiners, whichever is  
31 earlier.

32 (b) In the case of a credit, to the same date as that to which  
33 interest is computed on the tax or amount against which the credit  
34 is applied.

35 3. If the Department determines that any overpayment has  
36 been made intentionally or by reason of carelessness, the  
37 Department shall not allow any interest on the overpayment.

38 **Sec. 53.** 1. No injunction, writ of mandate or other legal or  
39 equitable process may issue in any suit, action or proceeding in  
40 any court against this State or against any officer of this State to  
41 prevent or enjoin the collection under this chapter of the tax  
42 imposed by this chapter or any amount of tax, penalty or interest  
43 required to be collected.

44 2. No suit or proceeding may be maintained in any court for  
45 the recovery of any amount alleged to have been erroneously or



1 *illegally determined or collected unless a claim for refund or credit*  
2 *has been filed.*

3 **Sec. 54.** 1. *Within 90 days after a final decision upon a*  
4 *claim filed pursuant to this chapter is rendered by the*  
5 *Commission, the claimant may bring an action against the*  
6 *Department on the grounds set forth in the claim in a court of*  
7 *competent jurisdiction in Carson City, the county of this state*  
8 *where the claimant resides or maintains his principal place of*  
9 *business, or a county in which any relevant proceedings were*  
10 *conducted by the Department for the recovery of the whole or any*  
11 *part of the amount with respect to which the claim has been*  
12 *disallowed.*

13 2. *Failure to bring an action within the time specified*  
14 *constitutes a waiver of any demand against the State on account of*  
15 *alleged overpayments.*

16 **Sec. 55.** 1. *If the Department fails to mail notice of action*  
17 *on a claim within 6 months after the claim is filed, the claimant*  
18 *may consider the claim disallowed and file an appeal with a*  
19 *hearing officer within the 45 days after the last day of the 6-month*  
20 *period. If the claimant is aggrieved by the decision of the hearing*  
21 *officer on appeal, he may, pursuant to the provisions of NRS*  
22 *360.245, appeal the decision to the Commission. If the claimant is*  
23 *aggrieved by the decision of the Commission rendered on appeal,*  
24 *he may, within 45 days after the decision is rendered, bring an*  
25 *action against the Department on the grounds set forth in the*  
26 *claim for the recovery of the whole or any part of the amount*  
27 *claimed as an overpayment.*

28 2. *If judgment is rendered for the plaintiff, the amount of the*  
29 *judgment must first be credited towards any tax due under this*  
30 *chapter from the plaintiff.*

31 3. *The balance of the judgment must be refunded to the*  
32 *plaintiff.*

33 **Sec. 56.** *In any judgment, interest must be allowed at the rate*  
34 *of 6 percent per annum upon the amount found to have been*  
35 *illegally collected from the date of payment of the amount to the*  
36 *date of allowance of credit on account of the judgment or to a date*  
37 *preceding the date of the refund warrant by not more than 30*  
38 *days. The date must be determined by the Department.*

39 **Sec. 57.** *A judgment may not be rendered in favor of the*  
40 *plaintiff in any action brought against the Department to recover*  
41 *any amount paid when the action is brought by or in the name of*  
42 *an assignee of the person paying the amount or by any person*  
43 *other than the person who paid the amount.*

44 **Sec. 58.** 1. *The Department may recover a refund or any*  
45 *part thereof which is erroneously made and any credit or part*



1 *thereof which is erroneously allowed in an action brought in a*  
2 *court of competent jurisdiction in Carson City or Clark County in*  
3 *the name of the State of Nevada.*

4 *2. The action must be tried in Carson City or Clark County*  
5 *unless the court, with the consent of the Attorney General, orders*  
6 *a change of place of trial.*

7 *3. The Attorney General shall prosecute the action, and the*  
8 *provisions of NRS, the Nevada Rules of Civil Procedure and the*  
9 *Nevada Rules of Appellate Procedure relating to service of*  
10 *summons, pleadings, proofs, trials and appeals are applicable to*  
11 *the proceedings.*

12 **Sec. 59.** *1. If any amount in excess of \$25 has been*  
13 *illegally determined, either by the person filing the return or by the*  
14 *Department, the Department shall certify this fact to the State*  
15 *Board of Examiners, and the latter shall authorize the*  
16 *cancellation of the amount upon the records of the Department.*

17 *2. If an amount not exceeding \$25 has been illegally*  
18 *determined, either by the person filing a return or by the*  
19 *Department, the Department, without certifying this fact to*  
20 *the State Board of Examiners, shall authorize the cancellation of*  
21 *the amount upon the records of the Department.*

22 **Sec. 60.** *The Department shall:*

23 *1. Administer and enforce the provisions of this chapter and*  
24 *may adopt regulations relating to the administration and*  
25 *enforcement of this chapter.*

26 *2. Deposit all taxes, interest and penalties it receives pursuant*  
27 *to this chapter in the State Treasury for credit to the State General*  
28 *Fund.*

29 **Sec. 61.** *The Department may employ accountants, auditors,*  
30 *investigators, assistants and clerks necessary for the efficient*  
31 *administration of this chapter, and may delegate authority to its*  
32 *representatives to conduct hearings, adopt regulations or perform*  
33 *any other duties imposed by this chapter.*

34 **Sec. 62.** *1. Every provider of service in this state not*  
35 *exempted from the tax imposed by this chapter shall keep records,*  
36 *receipts, invoices and other pertinent papers in such form as the*  
37 *Department may require.*

38 *2. Every such provider of service who files the returns*  
39 *required under this chapter shall keep the records for not less than*  
40 *4 years after their making unless the Department in writing sooner*  
41 *authorizes their destruction.*

42 *3. Every such provider of service who fails to file the returns*  
43 *required under this chapter shall keep the records for not less than*  
44 *8 years after their making unless the Department in writing sooner*  
45 *authorizes their destruction.*





1       **Sec. 63.** *1. To verify the accuracy of any return filed or, if*  
2 *no return is filed by a provider of service, to determine the amount*  
3 *required to be paid, the Department, or any person authorized in*  
4 *writing by the Department, may examine the books, papers and*  
5 *records of any person who may be liable for a tax imposed by this*  
6 *chapter.*

7       *2. Any person who may be liable for a tax imposed by this*  
8 *chapter and who keeps outside of this state any books, papers and*  
9 *records relating thereto shall pay to the Department an amount*  
10 *equal to the allowance provided for state officers and employees*  
11 *generally while traveling outside of the State for each day or*  
12 *fraction thereof during which an employee of the Department is*  
13 *engaged in examining those documents, plus any other actual*  
14 *expenses incurred by the employee while he is absent from his*  
15 *regular place of employment to examine those documents.*

16       **Sec. 64.** *1. Except as otherwise provided in this section, it is*  
17 *a misdemeanor for any member of the Commission or officer,*  
18 *agent or employee of the Department to make known in any*  
19 *manner whatever the business affairs, operations or information*  
20 *obtained by an investigation of records and equipment of any*  
21 *person who is the subject of the provisions of this chapter or any*  
22 *other person visited or examined in the discharge of official duty,*  
23 *or the amount or source of income, profits, losses, expenditures or*  
24 *any particular of them, set forth or disclosed in any return, or to*  
25 *permit any return or copy of a return, or any book containing any*  
26 *abstract or particulars of it to be seen or examined by any person*  
27 *not connected with the Department.*

28       *2. The Governor may, by general or special order, authorize*  
29 *the examination of the records maintained by the Department*  
30 *under this chapter by other state officers, by tax officers of*  
31 *another state, by the Federal Government, if a reciprocal*  
32 *arrangement exists, or by any other person. The information so*  
33 *obtained may not be made public except to the extent and in the*  
34 *manner that the order may authorize that it be made public.*

35       *3. Upon written request made by a public officer of a local*  
36 *government, the Executive Director shall furnish from the records*  
37 *of the Department, the name and address of any person subject to*  
38 *the provisions of this chapter who must file a return with the*  
39 *Department. The request must set forth the social security number*  
40 *of the person about whom the request is made and contain a*  
41 *statement signed by the proper authority of the local government*  
42 *certifying that the request is made to allow the proper authority to*  
43 *enforce a law to recover a debt or obligation owed to the local*  
44 *government. The information obtained by the local government is*  
45 *confidential and may not be used or disclosed for any purpose*



1 *other than the collection of a debt or obligation owed to that local*  
2 *government. The Executive Director may charge a reasonable fee*  
3 *for the cost of providing the requested information.*

4 *4. Successors, receivers, trustees, executors, administrators,*  
5 *assignees and guarantors, if directly interested, may be given*  
6 *information as to the items included in the measure and amounts*  
7 *of any unpaid tax or amounts of tax required to be collected,*  
8 *interest and penalties.*

9 *5. Relevant information may be disclosed as evidence in an*  
10 *appeal by the provider of service from a determination of tax due.*

11 *6. At any time after a determination, decision or order of the*  
12 *Executive Director or other officer of the Department imposing*  
13 *upon a person a penalty for fraud or intent to evade the tax*  
14 *imposed by this chapter becomes final or is affirmed by the*  
15 *Commission, any member of the Commission or officer, agent or*  
16 *employee of the Department may publicly disclose the identity of*  
17 *that person and the amount of tax assessed and penalties imposed*  
18 *against him.*

19 **Sec. 65.** *Any provider of service subject to taxation under*  
20 *this chapter who fails or refuses to furnish any return required to*  
21 *be made, or who fails or refuses to furnish a supplemental return*  
22 *or other data required by the Department, or who renders a false*  
23 *or fraudulent return shall be fined not more than \$500 for each*  
24 *offense.*

25 **Sec. 66.** *Any person required to make, render, sign or verify*  
26 *any report required under this chapter who makes any false or*  
27 *fraudulent return, with intent to defeat or evade the determination*  
28 *of an amount due required by law to be made, shall for each*  
29 *offense be fined not less than \$300 nor more than \$5,000, or be*  
30 *imprisoned for not more than 1 year in the county jail, or be*  
31 *punished by both fine and imprisonment.*

32 **Sec. 67.** *Any violation of this chapter, except as otherwise*  
33 *provided by specific statute, is a misdemeanor.*

34 **Sec. 68.** *Any prosecution for violation of any of the penal*  
35 *provisions of this chapter must be instituted within 3 years after*  
36 *the commission of the offense.*

37 **Sec. 69.** *In the determination of any case arising under this*  
38 *chapter, the rule of res judicata is applicable only if the liability*  
39 *involved is for the same period as was involved in another case*  
40 *previously determined.*

41 **Sec. 70.** *The remedies of the State provided for in this*  
42 *chapter are cumulative, and no action taken by the Department or*  
43 *the Attorney General constitutes an election by the State to pursue*  
44 *any remedy to the exclusion of any other remedy for which*  
45 *provision is made in this chapter.*



1     **Sec. 71.** *In all proceedings under this chapter, the*  
2 *Department may act for and on behalf of the people of the State of*  
3 *Nevada.*

4     **Sec. 72.** *It is the intent of the Legislature that the tax*  
5 *imposed pursuant to this chapter must not be increased for a*  
6 *period of at least 10 years after January 1, 2004.*

7     **Sec. 73.** NRS 360.2935 is hereby amended to read as follows:  
8     360.2935 Except as otherwise provided in ~~NRS 361.485,~~ *this*  
9 *title*, a taxpayer is entitled to receive on any overpayment of taxes,  
10 after the offset required by NRS 360.320 has been made, a refund  
11 together with interest at a rate determined pursuant to NRS 17.130.  
12 No interest is allowed on a refund of any penalties or interest paid  
13 by a taxpayer.

14     **Sec. 74.** NRS 360.300 is hereby amended to read as follows:  
15     360.300 1. If a person fails to file a return or the Department  
16 is not satisfied with the return or returns of any tax, contribution or  
17 premium or amount of tax, contribution or premium required to be  
18 paid to the State by any person, in accordance with the applicable  
19 provisions of this chapter, chapter 362, 364A, 369, 370, 372, 372A,  
20 374, 377, 377A or 444A of NRS, NRS 482.313, ~~or~~ chapter 585 or  
21 680B of NRS , *or sections 2 to 28, inclusive, or 30 to 72, inclusive,*  
22 *of this act*, as administered or audited by the Department, it may  
23 compute and determine the amount required to be paid upon the  
24 basis of:

- 25         (a) The facts contained in the return;  
26         (b) Any information within its possession or that may come into  
27 its possession; or  
28         (c) Reasonable estimates of the amount.

29     2. One or more deficiency determinations may be made with  
30 respect to the amount due for one or for more than one period.

31     3. In making its determination of the amount required to be  
32 paid, the Department shall impose interest on the amount of tax  
33 determined to be due, calculated at the rate and in the manner set  
34 forth in NRS 360.417, unless a different rate of interest is  
35 specifically provided by statute.

36     4. The Department shall impose a penalty of 10 percent in  
37 addition to the amount of a determination that is made in the case of  
38 the failure of a person to file a return with the Department.

39     5. When a business is discontinued, a determination may be  
40 made at any time thereafter within the time prescribed in NRS  
41 360.355 as to liability arising out of that business, irrespective of  
42 whether the determination is issued before the due date of the  
43 liability.



1       **Sec. 75.** NRS 360.417 is hereby amended to read as follows:  
2       360.417 Except as otherwise provided in NRS 360.232 and  
3       360.320, and unless a different penalty or rate of interest is  
4       specifically provided by statute, any person who fails to pay any tax  
5       provided for in chapter 362, 364A, 369, 370, 372, 374, 377, 377A,  
6       444A or 585 of NRS, *or sections 2 to 28, inclusive, or 30 to 72,*  
7       *inclusive, of this act,* or the fee provided for in NRS 482.313, to the  
8       State or a county within the time required, shall pay a penalty of not  
9       more than 10 percent of the amount of the tax or fee which is owed,  
10      as determined by the Department, in addition to the tax or fee, plus  
11      interest at the rate of 1 percent per month, or fraction of a month,  
12      from the last day of the month following the period for which the  
13      amount or any portion of the amount should have been reported  
14      until the date of payment. The amount of any penalty imposed must  
15      be based on a graduated schedule adopted by the Nevada Tax  
16      Commission which takes into consideration the length of time the  
17      tax or fee remained unpaid.

18      **Sec. 76.** NRS 360.419 is hereby amended to read as follows:  
19      360.419 1. If the Executive Director or a designated hearing  
20      officer finds that the failure of a person to make a timely return or  
21      payment of a tax imposed pursuant to NRS 361.320 , ~~for chapter~~  
22      ~~361A, 376A, 377 or 377A of NRS, or by~~ chapter *361A*, 362, 364A,  
23      369, 370, 372, 372A, 374, 375A , ~~for~~ 375B , *376A 377 or 377A* of  
24      NRS, *or sections 2 to 28, inclusive, or 30 to 72, inclusive, of this*  
25      *act,* is the result of circumstances beyond his control and occurred  
26      despite the exercise of ordinary care and without intent, the  
27      Department may relieve him of all or part of any interest or penalty  
28      or both.

29      2. A person seeking this relief must file with the Department a  
30      statement under oath setting forth the facts upon which he bases his  
31      claim.

32      3. The Department shall disclose, upon the request of any  
33      person:

- 34      (a) The name of the person to whom relief was granted; and
- 35      (b) The amount of the relief.

36      4. The Executive Director or a designated hearing officer shall  
37      act upon the request of a taxpayer seeking relief pursuant to NRS  
38      361.4835 which is deferred by a county treasurer or county assessor.

39      **Sec. 77.** NRS 360.510 is hereby amended to read as follows:

40      360.510 1. If any person is delinquent in the payment of any  
41      tax or fee administered by the Department or if a determination has  
42      been made against him which remains unpaid, the Department may:

- 43      (a) Not later than 3 years after the payment became delinquent  
44      or the determination became final; or



1 (b) Not later than 6 years after the last recording of an abstract  
2 of judgment or of a certificate constituting a lien for tax  
3 owed,  
4 give a notice of the delinquency and a demand to transmit  
5 personally or by registered or certified mail to any person,  
6 including, without limitation, any officer or department of this state  
7 or any political subdivision or agency of this state, who has in his  
8 possession or under his control any credits or other personal  
9 property belonging to the delinquent, or owing any debts to the  
10 delinquent or person against whom a determination has been made  
11 which remains unpaid, or owing any debts to the delinquent or that  
12 person. In the case of any state officer, department or agency, the  
13 notice must be given to the officer, department or agency before  
14 the Department presents the claim of the delinquent taxpayer to the  
15 State Controller.

16 2. A state officer, department or agency which receives such a  
17 notice may satisfy any debt owed to it by that person before it  
18 honors the notice of the Department.

19 3. After receiving the demand to transmit, the person notified  
20 by the demand may not transfer or otherwise dispose of the credits,  
21 other personal property, or debts in his possession or under his  
22 control at the time he received the notice until the Department  
23 consents to a transfer or other disposition.

24 4. Every person notified by a demand to transmit shall, within  
25 10 days after receipt of the demand to transmit, inform the  
26 Department of, and transmit to the Department all such credits,  
27 other personal property, or debts in his possession, under his control  
28 or owing by him within the time and in the manner requested by the  
29 Department. Except as otherwise provided in subsection 5, no  
30 further notice is required to be served to that person.

31 5. If the property of the delinquent taxpayer consists of a series  
32 of payments owed to him, the person who owes or controls the  
33 payments shall transmit the payments to the Department until  
34 otherwise notified by the Department. If the debt of the delinquent  
35 taxpayer is not paid within 1 year after the Department issued the  
36 original demand to transmit, the Department shall issue another  
37 demand to transmit to the person responsible for making the  
38 payments informing him to continue to transmit payments to  
39 the Department or that his duty to transmit the payments to the  
40 Department has ceased.

41 6. If the notice of the delinquency seeks to prevent the transfer  
42 or other disposition of a deposit in a bank or credit union or other  
43 credits or personal property in the possession or under the control of  
44 a bank, credit union or other depository institution, the notice must  
45 be delivered or mailed to any branch or office of the bank, credit



1 union or other depository institution at which the deposit is carried  
2 or at which the credits or personal property is held.

3 7. If any person notified by the notice of the delinquency  
4 makes any transfer or other disposition of the property or debts  
5 required to be withheld or transmitted, to the extent of the value of  
6 the property or the amount of the debts thus transferred or paid, he is  
7 liable to the State for any indebtedness due pursuant to this chapter,  
8 ~~or~~ chapter 362, 364A, 369, 370, 372, 372A, 374, 377, 377A or  
9 444A of NRS, NRS 482.313, ~~or~~ chapter 585 or 680B of NRS , *or*  
10 *sections 2 to 28, inclusive, or 30 to 72, inclusive, of this act* from  
11 the person with respect to whose obligation the notice was given if  
12 solely by reason of the transfer or other disposition the State is  
13 unable to recover the indebtedness of the person with respect to  
14 whose obligation the notice was given.

15 **Sec. 78.** NRS 361.186 is hereby amended to read as follows:

16 361.186 1. A taxpayer may collect an admission fee for the  
17 exhibition of fine art otherwise exempt from taxation pursuant to  
18 NRS 361.068 if the taxpayer offers to residents of the State of  
19 Nevada a discount of 50 percent from any admission fee charged to  
20 nonresidents. The discounted admission fee for residents must be  
21 offered at any time the exhibition is open to the public and  
22 admission fees are being charged.

23 2. Except as otherwise provided in subsection 5, if a taxpayer  
24 collects a fee for the exhibition of fine art otherwise exempt from  
25 taxation pursuant to NRS 361.068, the exemption pertaining to that  
26 fine art for the fiscal year must be reduced by the net revenue  
27 derived by the taxpayer for that fiscal year. The exemption  
28 pertaining to fine art for a particular fiscal year must not be reduced  
29 below zero, regardless of the amount of the net revenue derived by  
30 the taxpayer for that fiscal year.

31 3. A tax resulting from the operation of this section is due with  
32 the tax otherwise due under the taxpayer's first statement filed  
33 pursuant to NRS 361.265 after the 15th day of the fourth month  
34 after the end of the fiscal year in which the net revenue was received  
35 or, if no such statement is required to be filed, under a statement of  
36 the net revenue filed on or before the last day of the fourth month  
37 after the end of that fiscal year.

38 4. A taxpayer who is required to pay a tax resulting from the  
39 operation of this section may receive a credit against the tax for any  
40 donations made by the taxpayer to the State Arts Council, the  
41 Division of Museums and History Dedicated Trust Fund established  
42 pursuant to NRS 381.0031, a museum that provides exhibits  
43 specifically related to nature or a museum that provides exhibits  
44 specifically related to children, if the taxpayer:



1 (a) Made the donation before the date that either statement  
2 required pursuant to subsection 3 is due; and

3 (b) Provides to the county assessor documentation of the  
4 donation at the time that he files the statement required pursuant to  
5 subsection 3.

6 5. If a taxpayer qualifies for and avails himself of both of the  
7 exemptions from taxation provided by NRS 361.068 and 374.291,  
8 the reduction of the exemptions by the net revenue derived by the  
9 taxpayer, as required pursuant to subsection 2 of this section and  
10 subsection 2 of NRS 374.2911, must be carried out in such a manner  
11 that the total net revenue derived by the taxpayer is first applied to  
12 reduce the exemption provided pursuant to NRS 374.291. If the net  
13 revenue exceeds the amount of the exemption provided pursuant to  
14 NRS 374.291, the remaining net revenue must be applied to reduce  
15 the exemption provided pursuant to NRS 361.068. If the net revenue  
16 is less than or equal to the exemption provided pursuant to NRS  
17 374.291 for that fiscal year, the exemption provided pursuant to  
18 NRS 361.068 must not be reduced.

19 6. For the purposes of this section:

20 (a) "Direct costs of owning and exhibiting the fine art" does not  
21 include any allocation of the general and administrative expense of a  
22 business or organization that conducts activities in addition to the  
23 operation of the facility in which the fine art is displayed, including,  
24 without limitation, an allocation of the salary and benefits of a  
25 senior executive who is responsible for the oversight of the facility  
26 in which the fine art is displayed and who has substantial  
27 responsibilities related to the other activities of the business or  
28 organization.

29 (b) "Net revenue" means the amount of the fees collected for  
30 exhibiting the fine art during that fiscal year less the following paid  
31 or made during that fiscal year:

32 (1) *Any taxes on those fees imposed pursuant to section 11*  
33 *of this act;*

34 (2) The direct costs of owning and exhibiting the fine art; and

35 ~~(2)~~ (3) The cost of educational programs associated with  
36 the taxpayer's public display of fine art, including the cost of  
37 meeting the requirements of sub-subparagraph (IV) of subparagraph  
38 (1) of paragraph (b) of subsection ~~5~~ 4 of NRS 361.068.

39 **Sec. 79.** Chapter 364A of NRS is hereby amended by adding  
40 thereto the provisions set forth as sections 80 and 81 of this act.

41 **Sec. 80. 1.** *Each business license issued pursuant to NRS*  
42 *364A.130 expires 1 year after the last day of the calendar month in*  
43 *which it was issued and must be renewed on or before that date.*

44 **2.** *A business license may be renewed by the holder thereof*  
45 *upon the payment of a renewal fee of \$50.*



1       3. *If the holder of a business license fails to pay the annual*  
2 *renewal fee before the expiration of his business license, the*  
3 *business license may be reinstated upon the payment of a*  
4 *reinstatement fee of \$50 in addition to the annual renewal fee. A*  
5 *business license may be reinstated pursuant to this subsection only*  
6 *if the fees are paid within 1 year after the business license expires.*

7       **Sec. 81.** *It is the intent of the Legislature that the tax*  
8 *imposed by the provisions of this chapter must not be increased for*  
9 *a period of at least 10 years after July 1, 2003.*

10       **Sec. 82.** NRS 364A.040 is hereby amended to read as follows:

11       364A.040 1. "Employee" includes:

12       (a) A natural person who receives wages or other remuneration  
13 from a business for personal services, including commissions and  
14 bonuses and remuneration payable in a medium other than cash; and

15       (b) A natural person engaged in the operation of a business.

16       2. The term includes:

17       (a) A *sole proprietor or any* partner or other co-owner of a  
18 business; and

19       (b) Except as otherwise provided in subsection 3, a natural  
20 person reported as an employee to the:

21       (1) Employment Security Division of the Department of  
22 Employment, Training and Rehabilitation;

23       (2) Administrator of the Division of Industrial Relations of  
24 the Department of Business and Industry; or

25       (3) Internal Revenue Service on an Employer's Quarterly  
26 Federal Tax Return (Form 941), Employer's Monthly Federal Tax  
27 Return (Form 941-M), Employer's Annual Tax Return for  
28 Agricultural Employees (Form 943) or any equivalent or successor  
29 form.

30       3. The term does not include:

31       (a) A business, including an independent contractor, that  
32 performs services on behalf of another business.

33       (b) A natural person who is retired or otherwise receiving  
34 remuneration solely because of past service to the business.

35       (c) *A natural person whose activity is to care for children in*  
36 *one household at a time.*

37       (d) A newspaper carrier or the immediate supervisor of a  
38 newspaper carrier who is an independent contractor of the  
39 newspaper and receives compensation solely from persons who  
40 purchase the newspaper.

41       ~~(e)~~ (e) A natural person who performs all of his duties for the  
42 business outside of this state.

43       4. An independent contractor is not an employee of a business  
44 with whom he contracts.





1     **Sec. 83.** NRS 364A.130 is hereby amended to read as follows:  
2     364A.130 1. Except as otherwise provided in subsection 6, a  
3 person shall not conduct a business in this state unless he has a  
4 business license issued by the Department.

5     2. The application for a business license must:  
6     (a) Be made upon a form prescribed by the Department;  
7     (b) Set forth the name under which the applicant transacts or  
8 intends to transact business and the location of his place or places of  
9 business;  
10    (c) Declare the estimated number of employees for the previous  
11 calendar quarter;  
12    (d) Be accompanied by a fee of ~~[\$25;]~~ \$50; and  
13    (e) Include any other information that the Department deems  
14 necessary.

15    3. The application must be signed by:  
16    (a) The owner, if the business is owned by a natural person;  
17    (b) A member or partner, if the business is owned by an  
18 association or partnership; or  
19    (c) An officer or some other person specifically authorized to  
20 sign the application, if the business is owned by a corporation.

21    4. If the application is signed pursuant to paragraph (c) of  
22 subsection 3, written evidence of the signer's authority must be  
23 attached to the application.

24    5. For the purposes of this chapter, a person shall be deemed to  
25 conduct a business in this state if a business for which the person is  
26 responsible:

27    (a) Is ~~incorporated]~~ *formed* pursuant to ~~chapter 78 or 78A]~~ *title*  
28 *7* of NRS;  
29    (b) Has an office or other base of operations in this state; or  
30    (c) Pays wages or other remuneration to a natural person who  
31 performs in this state any of the duties for which he is paid.

32    6. A person who takes part in a trade show or convention held  
33 in this state for a purpose related to the conduct of a business is not  
34 required to obtain a business license specifically for that event.

35     **Sec. 84.** NRS 364A.140 is hereby amended to read as follows:  
36     364A.140 1. A tax is hereby imposed upon the privilege of  
37 conducting business in this state. Except as otherwise provided in  
38 this section, the tax for each calendar quarter is due on the last day  
39 of the quarter and must be paid on or before the last day of the  
40 month immediately following the quarter on the basis of the total  
41 number of equivalent full-time employees employed by the business  
42 in the quarter.

43    2. If the tax required to be paid by a business for a calendar  
44 quarter pursuant to subsection 1 is less than \$25, the business may  
45 submit a written request to the Department to pay the tax annually



1 for each calendar quarter of a fiscal year ending June 30. Upon  
2 approval of the request, the tax becomes due on the last day of the  
3 fiscal year and must be paid on or before the last day of July  
4 immediately following the fiscal year. If a business ceases operation  
5 before the end of the fiscal year, the tax becomes due on the date on  
6 which the business ceases its operation and must be paid on or  
7 before the last day of the month immediately following the calendar  
8 quarter in which the business ceases its operation. A business may  
9 continue to pay the tax annually until the Department withdraws its  
10 approval for the annual payment. The Department may withdraw its  
11 approval at any time if it determines that the tax due for any  
12 calendar quarter is at least \$25.

13 3. The total number of equivalent full-time employees  
14 employed by a business in a quarter must be calculated pursuant to  
15 NRS 364A.150.

16 4. Except as otherwise provided in NRS 364A.152 and  
17 364A.170, the amount of tax due for a business for each calendar  
18 quarter is ~~[\$25]~~ \$50 for each equivalent full-time employee  
19 employed by the business in the quarter.

20 5. Each business shall file a return on a form prescribed by the  
21 Department with each remittance of the tax. If the payment due is  
22 greater than \$1,000, the payment must be made by direct deposit at  
23 a bank or credit union in which the State has an account, unless the  
24 Department waives this requirement pursuant to regulations adopted  
25 by the Commission. The return must include:

26 (a) If the tax is paid quarterly, a statement of the number of  
27 equivalent full-time employees employed by the business in the  
28 preceding quarter and any other information the Department  
29 determines is necessary.

30 (b) If the tax is paid annually, a statement of the number of  
31 equivalent full-time employees employed by the business for each  
32 calendar quarter of the preceding fiscal year and any other  
33 information the Department determines is necessary.

34 6. The Commission shall adopt regulations concerning the  
35 payment of the tax imposed pursuant to this section by direct  
36 deposit.

37 **Sec. 85.** NRS 364A.150 is hereby amended to read as follows:

38 364A.150 1. The total number of equivalent full-time  
39 employees employed by a business in a quarter must be calculated  
40 by dividing the total number of hours all employees have worked  
41 during the quarter by 468.

42 2. To determine the total number of hours all employees have  
43 worked during the quarter, the business must add the total number  
44 of hours worked by full-time employees based in this state during  
45 the quarter to the total number of hours worked by part-time



1 employees based in this state during the quarter and to the total  
2 number of hours worked in this state by employees described in  
3 subsection 6. A “full-time employee” is a person who is employed  
4 to work at least 36 hours per week. All other employees are part-  
5 time employees. An occasional reduction in the number of hours  
6 actually worked in any week by a particular employee, as the result  
7 of sickness, vacation or other compensated absence, does not affect  
8 his status for the purposes of this section if his regular hours of work  
9 are 36 or more per week. All hours for which a part-time employee  
10 is paid must be included.

11 3. Except as otherwise provided in subsection 7, the total  
12 number of hours worked by full-time employees of a business  
13 during the quarter may be calculated by:

14 (a) Determining from the records of the business the number of  
15 hours each full-time employee has worked during the quarter up to a  
16 maximum of 468 hours per quarter and totaling the results; or

17 (b) Multiplying 7.2 hours by the number of days each full-time  
18 employee was employed by the business up to a maximum of 65  
19 days per quarter and totaling the results.

20 4. Except as otherwise provided in subsection 7, the total  
21 number of hours worked by part-time employees of a business  
22 during the quarter must be calculated by determining from the  
23 records of the business the number of hours each part-time  
24 employee has worked during the quarter and totaling the results.

25 5. The total number of hours all employees have worked  
26 during the quarter must be calculated ~~[excluding]~~, *including* the  
27 hours worked by a sole proprietor or one natural person in any  
28 unincorporated business. ~~[, who shall be deemed the owner of the  
29 business rather than an employee.]~~

30 6. To determine the total number of hours all employees have  
31 worked during the quarter, in the case of a business which employs  
32 a natural person at a base or business location outside Nevada, but  
33 directs that person to perform at least some of his duties in Nevada,  
34 the calculation must include the total number of hours actually  
35 worked by that person in Nevada during the quarter. To calculate  
36 the number of hours worked in Nevada, the formula in paragraph (b)  
37 of subsection 3 must be used for full-time employees, and the  
38 formula in subsection 4 must be used for part-time employees.

39 7. Except as otherwise provided in subsection 8, if a business  
40 employs in a calendar quarter a person whose monthly income for  
41 that calendar quarter is 150 percent or less of the federally  
42 designated level signifying poverty, the business may exclude the  
43 total number of hours which the employee worked during that  
44 calendar quarter in calculating the total number of hours worked by



1 employees of the business during the quarter if the business  
2 provided to the employee for the whole calendar quarter:

3 (a) Free child care for the children of the employee at an on-site  
4 child care facility; or

5 (b) One or more vouchers for use by the employee to pay the  
6 total cost of child care for the calendar quarter at a licensed child  
7 care facility that is within a reasonable distance from the business.

8 8. The number of hours excluded pursuant to subsection 7 must  
9 not reduce the total tax liability of the business by more than 50  
10 percent.

11 9. As used in this section, the term "on-site child care facility"  
12 has the meaning ascribed to it in NRS 432A.0275.

13 **Sec. 86.** Chapter 369 of NRS is hereby amended by adding  
14 thereto a new section to read as follows:

15 *It is the intent of the Legislature that the taxes imposed by the*  
16 *provisions of this chapter must not be increased for a period of at*  
17 *least 10 years after July 1, 2003.*

18 **Sec. 87.** NRS 369.174 is hereby amended to read as follows:

19 369.174 Each month, the State Controller shall transfer to the  
20 Tax on Liquor Program Account in the State General Fund, from the  
21 tax on liquor containing more than 22 percent of alcohol by volume,  
22 the portion of the tax which exceeds ~~[\$1.90]~~ \$3.95 per wine gallon.

23 **Sec. 88.** NRS 369.330 is hereby amended to read as follows:

24 369.330 Except as otherwise provided in this chapter, an excise  
25 tax is hereby levied and must be collected respecting all liquor and  
26 upon the privilege of importing, possessing, storing or selling liquor,  
27 according to the following rates and classifications:

28 1. On liquor containing more than 22 percent of alcohol by  
29 volume, ~~[\$2.05]~~ \$4.10 per wine gallon or proportionate part thereof.

30 2. On liquor containing more than 14 percent up to and  
31 including 22 percent of alcohol by volume, ~~[75-cents]~~ \$1.50 per  
32 wine gallon or proportionate part thereof.

33 3. On liquor containing from one-half of 1 percent up to and  
34 including 14 percent of alcohol by volume, ~~[40]~~ 80 cents per wine  
35 gallon or proportionate part thereof.

36 4. On all malt beverage liquor brewed or fermented and bottled  
37 in or outside this state, ~~[9]~~ 18 cents per gallon.

38 **Sec. 89.** Chapter 370 of NRS is hereby amended by adding  
39 thereto a new section to read as follows:

40 *It is the intent of the Legislature that the tax imposed by the*  
41 *provisions of this chapter must not be increased for a period of at*  
42 *least 10 years after July 1, 2004.*

43 **Sec. 90.** NRS 370.165 is hereby amended to read as follows:

44 370.165 There is hereby levied a tax upon the purchase or  
45 possession of cigarettes by a consumer in the State of Nevada at the



1 rate of ~~17.5~~ 30 mills per cigarette. The tax may be represented and  
2 precollected by the affixing of a revenue stamp or other approved  
3 evidence of payment to each package, packet or container in which  
4 cigarettes are sold. The tax must be precollected by the wholesale or  
5 retail dealer, and must be recovered from the consumer by adding  
6 the amount of the tax to the selling price. Each person who sells  
7 cigarettes at retail shall prominently display on his premises a notice  
8 that the tax is included in the selling price and is payable under the  
9 provisions of this chapter.

10 **Sec. 91.** NRS 370.165 is hereby amended to read as follows:

11 370.165 There is hereby levied a tax upon the purchase or  
12 possession of cigarettes by a consumer in the State of Nevada at the  
13 rate of ~~30~~ 37.5 mills per cigarette. The tax may be represented and  
14 precollected by the affixing of a revenue stamp or other approved  
15 evidence of payment to each package, packet or container in which  
16 cigarettes are sold. The tax must be precollected by the wholesale or  
17 retail dealer, and must be recovered from the consumer by adding  
18 the amount of the tax to the selling price. Each person who sells  
19 cigarettes at retail shall prominently display on his premises a notice  
20 that the tax is included in the selling price and is payable under the  
21 provisions of this chapter.

22 **Sec. 92.** NRS 370.260 is hereby amended to read as follows:

23 370.260 1. All taxes and license fees imposed by the  
24 provisions of NRS 370.001 to 370.430, inclusive, less any refunds  
25 granted as provided by law, must be paid to the Department in the  
26 form of remittances payable to the Department.

27 2. The Department shall:

28 (a) As compensation to the State for the costs of collecting the  
29 taxes and license fees, transmit each month the sum the Legislature  
30 specifies from the remittances made to it pursuant to subsection 1  
31 during the preceding month to the State Treasurer for deposit to the  
32 credit of the Department. The deposited money must be expended  
33 by the Department in accordance with its work program.

34 (b) From the remittances made to it pursuant to subsection 1  
35 during the preceding month, less the amount transmitted pursuant to  
36 paragraph (a), transmit each month the portion of the tax which is  
37 equivalent to ~~12.5~~ 25 mills per cigarette to the State Treasurer for  
38 deposit to the credit of the Account for the Tax on Cigarettes in the  
39 State General Fund.

40 (c) Transmit the balance of the payments each month to the  
41 State Treasurer for deposit in the Local Government Tax  
42 Distribution Account created by NRS 360.660.

43 (d) Report to the State Controller monthly the amount of  
44 collections.



1 3. The money deposited pursuant to paragraph (c) of  
2 subsection 2 in the Local Government Tax Distribution Account is  
3 hereby appropriated to Carson City and to each of the counties in  
4 proportion to their respective populations and must be credited to  
5 the respective accounts of Carson City and each county.

6 **Sec. 93.** NRS 370.260 is hereby amended to read as follows:

7 370.260 1. All taxes and license fees imposed by the  
8 provisions of NRS 370.001 to 370.430, inclusive, less any refunds  
9 granted as provided by law, must be paid to the Department in the  
10 form of remittances payable to the Department.

11 2. The Department shall:

12 (a) As compensation to the State for the costs of collecting the  
13 taxes and license fees, transmit each month the sum the Legislature  
14 specifies from the remittances made to it pursuant to subsection 1  
15 during the preceding month to the State Treasurer for deposit to the  
16 credit of the Department. The deposited money must be expended  
17 by the Department in accordance with its work program.

18 (b) From the remittances made to it pursuant to subsection 1  
19 during the preceding month, less the amount transmitted pursuant to  
20 paragraph (a), transmit each month the portion of the tax which is  
21 equivalent to ~~25~~ 32.5 mills per cigarette to the State Treasurer for  
22 deposit to the credit of the Account for the Tax on Cigarettes in the  
23 State General Fund.

24 (c) Transmit the balance of the payments each month to the  
25 State Treasurer for deposit in the Local Government Tax  
26 Distribution Account created by NRS 360.660.

27 (d) Report to the State Controller monthly the amount of  
28 collections.

29 3. The money deposited pursuant to paragraph (c) of  
30 subsection 2 in the Local Government Tax Distribution Account is  
31 hereby appropriated to Carson City and to each of the counties in  
32 proportion to their respective populations and must be credited to  
33 the respective accounts of Carson City and each county.

34 **Sec. 94.** NRS 370.350 is hereby amended to read as follows:

35 370.350 1. Except as otherwise provided in subsection 3, a  
36 tax is hereby levied and imposed upon the use of cigarettes in this  
37 state.

38 2. The amount of the use tax is ~~17.5~~ 30 mills per cigarette.

39 3. The use tax does not apply where:

40 (a) Nevada cigarette revenue stamps have been affixed to  
41 cigarette packages as required by law.

42 (b) Tax exemption is provided for in this chapter.



1     **Sec. 95.** NRS 370.350 is hereby amended to read as follows:  
2     370.350 1. Except as otherwise provided in subsection 3, a  
3 tax is hereby levied and imposed upon the use of cigarettes in this  
4 state.

5     2. The amount of the use tax is ~~{30}~~ **37.5** mills per cigarette.

6     3. The use tax does not apply where:

7     (a) Nevada cigarette revenue stamps have been affixed to  
8 cigarette packages as required by law.

9     (b) Tax exemption is provided for in this chapter.

10    **Sec. 96.** NRS 372.220 is hereby amended to read as follows:

11    372.220 **1.** Every retailer who sells tangible personal  
12 property for storage, use or other consumption in this state shall  
13 register with the Department and give:

14    ~~{1}~~ **(a)** The name and address of all agents operating in this  
15 state.

16    ~~{2}~~ **(b)** The location of all distribution or sales houses or offices  
17 or other places of business in this state.

18    ~~{3}~~ **(c)** Such other information as the Department may require.

19    **2. Every business that purchases tangible personal property**  
20 **for storage, use or other consumption in this state shall, at the**  
21 **time he obtains a business license pursuant to NRS 364A.130,**  
22 **register with the Department on a form prescribed by the**  
23 **Department. As used in this section, "business" has the meaning**  
24 **ascribed to it in NRS 364A.020.**

25    **Sec. 97.** NRS 374.2911 is hereby amended to read as follows:

26    374.2911 1. A taxpayer may collect an admission fee for the  
27 exhibition of fine art otherwise exempt from taxation on its sale,  
28 storage, use or other consumption pursuant to NRS 374.291 if the  
29 taxpayer offers to residents of the State of Nevada a discount of 50  
30 percent from any admission fee charged to nonresidents. The  
31 discounted admission fee for residents must be offered at any time  
32 the exhibition is open to the public and admission fees are being  
33 charged.

34    2. If a taxpayer collects a fee for the exhibition of fine art  
35 otherwise exempt from taxation on its sale, storage, use or other  
36 consumption pursuant to NRS 374.291 and the fee is collected  
37 during the first full fiscal year after the purchase of the fine art, the  
38 exemption pertaining to that fine art must be reduced by the net  
39 revenue derived by the taxpayer for that first full fiscal year. The  
40 exemption pertaining to fine art must not be reduced below zero,  
41 regardless of the amount of the net revenue derived by the taxpayer  
42 for that first full fiscal year.

43    3. Any tax due pursuant to this section must be paid with the  
44 first sales and use tax return otherwise required to be filed by the  
45 taxpayer following the 15th day of the fourth month after the end of



1 the first full fiscal year following the purchase of the fine art or, if  
2 no sales and use tax return is otherwise required to be filed by the  
3 taxpayer, with a sales and use tax return filed specifically for this  
4 purpose on or before the last day of the fourth month after the end of  
5 the first full fiscal year following the purchase of the fine art.

6 4. A taxpayer who is required to pay a tax resulting from the  
7 operation of this section may receive a credit against the tax for any  
8 donations made by the taxpayer to the State Arts Council, the  
9 Division of Museums and History Dedicated Trust Fund established  
10 pursuant to NRS 381.0031, a museum that provides exhibits  
11 specifically related to nature or a museum that provides exhibits  
12 specifically related to children, if the taxpayer:

13 (a) Made the donation before the date that either return required  
14 pursuant to subsection 3 is due; and

15 (b) Provides the Department documentation of the donation at  
16 the time that he files the return required pursuant to subsection 3.

17 5. For the purposes of this section:

18 (a) "Direct costs of owning and exhibiting the fine art" does not  
19 include any allocation of the general and administrative expense of a  
20 business or organization that conducts activities in addition to the  
21 operation of the facility in which the fine art is displayed, including,  
22 without limitation, an allocation of the salary and benefits of a  
23 senior executive who is responsible for the oversight of the facility  
24 in which the fine art is displayed and who has substantial  
25 responsibilities related to the other activities of the business or  
26 organization.

27 (b) "Net revenue" means the amount of the fees collected for  
28 exhibiting the fine art during the fiscal year less the following paid  
29 or made during the fiscal year:

30 (1) *Any taxes on those fees imposed pursuant to section 11*  
31 *of this act;*

32 (2) The direct costs of owning and exhibiting the fine art; and

33 ~~(2)~~ (3) The cost of educational programs associated with  
34 the taxpayer's public display of fine art, including the cost of  
35 meeting the requirements of subsubparagraph (IV) of subparagraph  
36 (1) of paragraph (a) of subsection 4 of NRS 374.291.

37 **Sec. 98.** NRS 14.030 is hereby amended to read as follows:

38 14.030 1. If any artificial person described in NRS 14.020  
39 fails to appoint a resident agent, or fails to file a certificate of  
40 acceptance of appointment for 30 days after a vacancy occurs in the  
41 agency, on the production of a certificate of the Secretary of State  
42 showing either fact, which is conclusive evidence of the fact so  
43 certified to be made a part of the return of service, the artificial  
44 person may be served with any and all legal process, or a demand or  
45 notice described in NRS 14.020, by delivering a copy to the





1 Secretary of State ~~§~~ or, in his absence, to any deputy secretary of  
2 state, and such service is valid to all intents and purposes. The copy  
3 must:

4 (a) Include a specific citation to the provisions of this section.  
5 The Secretary of State may refuse to accept such service if the  
6 proper citation is not included.

7 (b) Be accompanied by a fee of ~~[\$10.]~~ **\$15.**  
8 The Secretary of State shall keep a copy of the legal process  
9 received pursuant to this section in his office for at least 1 year after  
10 receipt thereof and shall make those records available for public  
11 inspection during normal business hours.

12 2. In all cases of such service, the defendant has 40 days,  
13 exclusive of the day of service, within which to answer or plead.

14 3. Before such service is authorized, the plaintiff shall make or  
15 cause to be made and filed an affidavit setting forth the facts,  
16 showing that due diligence has been used to ascertain the  
17 whereabouts of the officers of the artificial person to be served, and  
18 the facts showing that direct or personal service on, or notice to, the  
19 artificial person cannot be had.

20 4. If it appears from the affidavit that there is a last known  
21 address of the artificial person or any known officers thereof, the  
22 plaintiff shall, in addition to and after such service on the Secretary  
23 of State, mail or cause to be mailed to the artificial person or to the  
24 known officer, at such address, by registered or certified mail, a  
25 copy of the summons and a copy of the complaint, and in all such  
26 cases the defendant has 40 days after the date of the mailing within  
27 which to appear in the action.

28 5. This section provides an additional manner of serving  
29 process, and does not affect the validity of any other valid service.

30 **Sec. 99.** NRS 78.760 is hereby amended to read as follows:

31 78.760 1. The fee for filing articles of incorporation is  
32 prescribed in the following schedule:

33	
34	If the amount represented by the total number of shares
35	provided for in the articles is:
36	\$75,000 or less ..... \$175
37	Over \$75,000 and not over \$200,000..... 225
38	Over \$200,000 and not over \$500,000..... 325
39	Over \$500,000 and not over \$1,000,000..... 425
40	Over \$1,000,000:
41	For the first \$1,000,000..... 425
42	For each additional \$500,000 or fraction thereof..... 225
43	

44 2. The maximum fee which may be charged pursuant to this  
45 section is ~~[\$25,000]~~ **\$37,500** for:



\* S B 3 8 2 \*

- 1 (a) The original filing of articles of incorporation.
- 2 (b) A subsequent filing of any instrument which authorizes an
- 3 increase in stock.

4 3. For the purposes of computing the filing fees according to  
 5 the schedule in subsection 1, the amount represented by the total  
 6 number of shares provided for in the articles of incorporation is:

- 7 (a) The aggregate par value of the shares, if only shares with a
- 8 par value are therein provided for;
- 9 (b) The product of the number of shares multiplied by \$1,
- 10 regardless of any lesser amount prescribed as the value or
- 11 consideration for which shares may be issued and disposed of, if
- 12 only shares without par value are therein provided for; or
- 13 (c) The aggregate par value of the shares with a par value plus
- 14 the product of the number of shares without par value multiplied by
- 15 \$1, regardless of any lesser amount prescribed as the value or
- 16 consideration for which the shares without par value may be issued
- 17 and disposed of, if shares with and without par value are therein
- 18 provided for.

19 For the purposes of this subsection, shares with no prescribed par  
 20 value shall be deemed shares without par value.

21 4. The Secretary of State shall calculate filing fees pursuant to  
 22 this section with respect to shares with a par value of less than one-  
 23 tenth of a cent as if the par value were one-tenth of a cent.

24 **Sec. 100.** NRS 78.795 is hereby amended to read as follows:

25 78.795 1. Any natural person or corporation residing or  
 26 located in this state may, on or after January 1 of any year but before  
 27 January 31 of that year, register his willingness to serve as the  
 28 resident agent of a domestic or foreign corporation, limited-liability  
 29 company or limited partnership with the Secretary of State. The  
 30 registration must be accompanied by a fee of ~~[\$250]~~ \$375 per office  
 31 location of the resident agent.

32 2. The Secretary of State shall maintain a list of those persons  
 33 who are registered pursuant to subsection 1 and make the list  
 34 available to persons seeking to do business in this state.

35 **Sec. 101.** NRS 80.050 is hereby amended to read as follows:

36 80.050 1. Except as otherwise provided in subsection 3,  
 37 foreign corporations shall pay the same fees to the Secretary of State  
 38 as are required to be paid by corporations organized pursuant to the  
 39 laws of this state, but the amount of fees to be charged must not  
 40 exceed:

- 41 (a) The sum of ~~[\$25,000]~~ \$37,500 for filing documents for
- 42 initial qualification; or
- 43 (b) The sum of ~~[\$25,000]~~ \$37,500 for each subsequent filing of
- 44 a certificate increasing authorized capital stock.



1 2. If the corporate documents required to be filed set forth only  
2 the total number of shares of stock the corporation is authorized to  
3 issue without reference to value, the authorized shares shall be  
4 deemed to be without par value and the filing fee must be computed  
5 pursuant to paragraph (b) of subsection 3 of NRS 78.760.

6 3. Foreign corporations which are nonprofit corporations and  
7 do not have or issue shares of stock shall pay the same fees to the  
8 Secretary of State as are required to be paid by nonprofit  
9 corporations organized pursuant to the laws of this state.

10 4. The fee for filing a notice of withdrawal from the State of  
11 Nevada by a foreign corporation is \$60.

12 **Sec. 102.** NRS 80.110 is hereby amended to read as follows:

13 80.110 1. Each foreign corporation doing business in this  
14 state shall, on or before the first day of the second month after the  
15 filing of its certificate of corporate existence with the Secretary of  
16 State, and annually thereafter on or before the last day of the month  
17 in which the anniversary date of its qualification to do business in  
18 this state occurs in each year, file with the Secretary of State a list,  
19 on a form furnished by him, that contains:

20 (a) The names of its president, secretary and treasurer or their  
21 equivalent, and all of its directors;

22 (b) A designation of its resident agent in this state; and

23 (c) The signature of an officer of the corporation.

24 Each list filed pursuant to this subsection must be accompanied by a  
25 declaration under penalty of perjury that the foreign corporation has  
26 complied with the provisions of chapter 364A of NRS.

27 2. Upon filing:

28 (a) The initial list required by subsection 1, the corporation shall  
29 pay to the Secretary of State a fee of \$165.

30 (b) Each annual list required by subsection 1, the corporation  
31 shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

32 3. The Secretary of State shall, 60 days before the last day for  
33 filing each annual list required by subsection 1, cause to be mailed  
34 to each corporation required to comply with the provisions of NRS  
35 80.110 to 80.170, inclusive, which has not become delinquent, the  
36 blank forms to be completed and filed with him. Failure of any  
37 corporation to receive the forms does not excuse it from the penalty  
38 imposed by the provisions of NRS 80.110 to 80.170, inclusive.

39 4. An annual list for a corporation not in default which is  
40 received by the Secretary of State more than 60 days before its due  
41 date shall be deemed an amended list for the previous year and does  
42 not satisfy the requirements of subsection 1 for the year to which the  
43 due date is applicable.



1       **Sec. 103.** NRS 82.193 is hereby amended to read as follows:  
2       82.193 1. A corporation shall have a resident agent in the  
3 manner provided in NRS 78.090, 78.095, 78.097 and 78.110. The  
4 resident agent and the corporation shall comply with the provisions  
5 of those sections.

6       2. A corporation is subject to the provisions of NRS 78.150 to  
7 78.185, inclusive, except that:

- 8       (a) The fee for filing a list is ~~[\$15.]~~ \$25;
- 9       (b) The penalty added for default is ~~[\$5.]~~ \$10; and
- 10       (c) The fee for reinstatement is ~~[\$25.]~~ \$40.

11       **Sec. 104.** NRS 82.531 is hereby amended to read as follows:  
12       82.531 1. The fee for filing articles of incorporation,  
13 amendments to or restatements of articles of incorporation,  
14 certificates pursuant to NRS 82.061 and 82.063 and documents for  
15 dissolution is ~~[\$25]~~ \$40 for each document.

16       2. Except as otherwise provided in NRS 82.193 and subsection  
17 1, the fees for filing documents are those set forth in NRS 78.765 to  
18 78.785, inclusive.

19       **Sec. 105.** NRS 84.090 is hereby amended to read as follows:  
20       84.090 1. The fee for filing articles of incorporation,  
21 amendments to or restatements of articles of incorporation,  
22 certificates of reinstatement and documents for dissolution is ~~[\$25]~~  
23 \$40 for each document.

24       2. Except as otherwise provided in this chapter, the fees set  
25 forth in NRS 78.785 apply to this chapter.

26       **Sec. 106.** NRS 84.130 is hereby amended to read as follows:  
27       84.130 1. Each corporation sole that is required to make the  
28 filings and pay the fees prescribed in this chapter but refuses or  
29 neglects to do so within the time provided is in default.

30       2. For default, there must be added to the amount of the fee a  
31 penalty of ~~[\$5.]~~ \$10. The fee and penalty must be collected as  
32 provided in this chapter.

33       **Sec. 107.** NRS 84.150 is hereby amended to read as follows:  
34       84.150 1. Except as otherwise provided in subsections 3 and  
35 4, the Secretary of State shall reinstate any corporation sole which  
36 has forfeited its right to transact business under the provisions of  
37 this chapter and restore the right to carry on business in this state  
38 and exercise its corporate privileges and immunities, if it:

- 39       (a) Files with the Secretary of State a certificate of acceptance of  
40 appointment executed by the resident agent of the corporation; and
- 41       (b) Pays to the Secretary of State:
  - 42           (1) The filing fees and penalties set forth in this chapter for
  - 43 each year or portion thereof during which its charter has been
  - 44 revoked; and
  - 45           (2) A fee of ~~[\$25]~~ \$40 for reinstatement.



- 1       2. When the Secretary of State reinstates the corporation to its  
2 former rights, he shall:
- 3       (a) Immediately issue and deliver to the corporation a certificate  
4 of reinstatement authorizing it to transact business, as if the fees had  
5 been paid when due; and
- 6       (b) Upon demand, issue to the corporation a certified copy of the  
7 certificate of reinstatement.
- 8       3. The Secretary of State shall not order a reinstatement unless  
9 all delinquent fees and penalties have been paid, and the revocation  
10 of its charter occurred only by reason of its failure to pay the fees  
11 and penalties.
- 12       4. If a corporate charter has been revoked pursuant to the  
13 provisions of this chapter and has remained revoked for 10  
14 consecutive years, the charter must not be reinstated.
- 15       **Sec. 108.** NRS 86.263 is hereby amended to read as follows:
- 16       86.263 1. A limited-liability company shall, on or before the  
17 first day of the second month after the filing of its articles of  
18 organization with the Secretary of State, file with the Secretary of  
19 State, on a form furnished by him, a list that contains:
- 20       (a) The name of the limited-liability company;
- 21       (b) The file number of the limited-liability company, if known;
- 22       (c) The names and titles of all of its managers or, if there is no  
23 manager, all of its managing members;
- 24       (d) The mailing or street address, either residence or business, of  
25 each manager or managing member listed, following the name of  
26 the manager or managing member;
- 27       (e) The name and street address of the resident agent of the  
28 limited-liability company; and
- 29       (f) The signature of a manager or managing member of the  
30 limited-liability company certifying that the list is true, complete  
31 and accurate.
- 32       2. The limited-liability company shall annually thereafter, on  
33 or before the last day of the month in which the anniversary date of  
34 its organization occurs, file with the Secretary of State, on a form  
35 furnished by him, an amended list containing all of the information  
36 required in subsection 1. If the limited-liability company has had no  
37 changes in its managers or, if there is no manager, its managing  
38 members, since its previous list was filed, no amended list need be  
39 filed if a manager or managing member of the limited-liability  
40 company certifies to the Secretary of State as a true and accurate  
41 statement that no changes in the managers or managing members  
42 have occurred.
- 43       3. Each list required by subsection 1 and each list or  
44 certification required by subsection 2 must be accompanied by a



1 declaration under penalty of perjury that the limited-liability  
2 company has complied with the provisions of chapter 364A of NRS.

3 4. Upon filing:

4 (a) The initial list required by subsection 1, the limited-liability  
5 company shall pay to the Secretary of State a fee of \$165.

6 (b) Each annual list required by subsection 2 or certifying that  
7 no changes have occurred, the limited-liability company shall pay to  
8 the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

9 5. The Secretary of State shall, 60 days before the last day for  
10 filing each list required by subsection 2, cause to be mailed to each  
11 limited-liability company required to comply with the provisions of  
12 this section, which has not become delinquent, a notice of the fee  
13 due under subsection 4 and a reminder to file a list required by  
14 subsection 2 or a certification of no change. Failure of any company  
15 to receive a notice or form does not excuse it from the penalty  
16 imposed by law.

17 6. If the list to be filed pursuant to the provisions of subsection  
18 1 or 2 is defective or the fee required by subsection 4 is not paid, the  
19 Secretary of State may return the list for correction or payment.

20 7. An annual list for a limited-liability company not in default  
21 received by the Secretary of State more than 60 days before its due  
22 date shall be deemed an amended list for the previous year.

23 **Sec. 109.** NRS 86.561 is hereby amended to read as follows:

24 86.561 1. The Secretary of State shall charge and collect for:

25 (a) Filing the original articles of organization, or for registration  
26 of a foreign company, \$175;

27 (b) Amending or restating the articles of organization, amending  
28 the registration of a foreign company or filing a certificate of  
29 correction, \$150;

30 (c) Filing the articles of dissolution of a domestic or foreign  
31 company, \$60;

32 (d) Filing a statement of change of address of a records or  
33 registered office, or change of the resident agent, \$30;

34 (e) Certifying articles of organization or an amendment to the  
35 articles, in both cases where a copy is provided, \$20;

36 (f) Certifying an authorized printed copy of this chapter, \$20;

37 (g) Reserving a name for a limited-liability company, \$20;

38 (h) Filing a certificate of cancellation, \$60;

39 (i) Executing, filing or certifying any other document, \$40; and

40 (j) Copies made at the Office of the Secretary of State, \$1 per  
41 page.

42 2. The Secretary of State shall charge and collect at the time of  
43 any service of process on him as agent for service of process of a  
44 limited-liability company, ~~[\$10]~~ **\$15** which may be recovered as



1 taxable costs by the party to the action causing the service to be  
2 made if the party prevails in the action.

3 3. Except as otherwise provided in this section, the fees set  
4 forth in NRS 78.785 apply to this chapter.

5 **Sec. 110.** NRS 87.510 is hereby amended to read as follows:

6 87.510 1. A registered limited-liability partnership shall, on  
7 or before the first day of the second month after the filing of its  
8 certificate of registration with the Secretary of State, and annually  
9 thereafter on or before the last day of the month in which the  
10 anniversary date of the filing of its certificate of registration with the  
11 Secretary of State occurs, file with the Secretary of State, on a form  
12 furnished by him, a list that contains:

- 13 (a) The name of the registered limited-liability partnership;
- 14 (b) The file number of the registered limited-liability  
15 partnership, if known;
- 16 (c) The names of all of its managing partners;
- 17 (d) The mailing or street address, either residence or business, of  
18 each managing partner;
- 19 (e) The name and street address of the resident agent of the  
20 registered limited-liability partnership; and
- 21 (f) The signature of a managing partner of the registered limited-  
22 liability partnership certifying that the list is true, complete and  
23 accurate.

24 Each list filed pursuant to this subsection must be accompanied by a  
25 declaration under penalty of perjury that the registered limited-  
26 liability partnership has complied with the provisions of chapter  
27 364A of NRS.

28 2. Upon filing:

29 (a) The initial list required by subsection 1, the registered  
30 limited-liability partnership shall pay to the Secretary of State a fee  
31 of \$165.

32 (b) Each annual list required by subsection 1, the registered  
33 limited-liability partnership shall pay to the Secretary of State a fee  
34 of ~~[\$85.]~~ **\$130.**

35 3. The Secretary of State shall, at least 60 days before the last  
36 day for filing each annual list required by subsection 1, cause to be  
37 mailed to the registered limited-liability partnership a notice of the  
38 fee due pursuant to subsection 2 and a reminder to file the annual  
39 list required by subsection 1. The failure of any registered limited-  
40 liability partnership to receive a notice or form does not excuse it  
41 from complying with the provisions of this section.

42 4. If the list to be filed pursuant to the provisions of subsection  
43 1 is defective, or the fee required by subsection 2 is not paid, the  
44 Secretary of State may return the list for correction or payment.



1 5. An annual list that is filed by a registered limited-liability  
2 partnership which is not in default more than 60 days before it is due  
3 shall be deemed an amended list for the previous year and does not  
4 satisfy the requirements of subsection 1 for the year to which the  
5 due date is applicable.

6 **Sec. 111.** NRS 87.550 is hereby amended to read as follows:

7 87.550 In addition to any other fees required by NRS 87.440 to  
8 87.540, inclusive, and 87.560, the Secretary of State shall charge  
9 and collect the following fees for services rendered pursuant to  
10 those sections:

11 1. For certifying documents required by NRS 87.440 to 87.540,  
12 inclusive, and 87.560, \$20 per certification.

13 2. For executing a certificate verifying the existence of a  
14 registered limited-liability partnership, if the registered limited-  
15 liability partnership has not filed a certificate of amendment, \$40.

16 3. For executing a certificate verifying the existence of a  
17 registered limited-liability partnership, if the registered limited-  
18 liability partnership has filed a certificate of amendment, \$40.

19 4. For executing, certifying or filing any certificate or  
20 document not required by NRS 87.440 to 87.540, inclusive, and  
21 87.560, \$40.

22 5. For any copies made by the Office of the Secretary of State,  
23 ~~[\$1]~~ **\$1.50** per page.

24 6. For examining and provisionally approving any document  
25 before the document is presented for filing, ~~[\$100.]~~ **\$150.**

26 **Sec. 112.** NRS 88.395 is hereby amended to read as follows:

27 88.395 1. A limited partnership shall, on or before the first  
28 day of the second month after the filing of its certificate of limited  
29 partnership with the Secretary of State, and annually thereafter on or  
30 before the last day of the month in which the anniversary date of the  
31 filing of its certificate of limited partnership occurs, file with the  
32 Secretary of State, on a form furnished by him, a list that contains:

33 (a) The name of the limited partnership;

34 (b) The file number of the limited partnership, if known;

35 (c) The names of all of its general partners;

36 (d) The mailing or street address, either residence or business, of  
37 each general partner;

38 (e) The name and street address of the resident agent of the  
39 limited partnership; and

40 (f) The signature of a general partner of the limited partnership  
41 certifying that the list is true, complete and accurate.

42 Each list filed pursuant to this subsection must be accompanied by a  
43 declaration under penalty of perjury that the limited partnership has  
44 complied with the provisions of chapter 364A of NRS.

45 2. Upon filing:





- 1 (a) The initial list required by subsection 1, the limited  
2 partnership shall pay to the Secretary of State a fee of \$165.
- 3 (b) Each annual list required by subsection 1, the limited  
4 partnership shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**
- 5 3. The Secretary of State shall, 60 days before the last day for  
6 filing each annual list required by subsection 1, cause to be mailed  
7 to each limited partnership required to comply with the provisions  
8 of this section which has not become delinquent a notice of the fee  
9 due pursuant to the provisions of subsection 2 and a reminder to file  
10 the annual list. Failure of any limited partnership to receive a notice  
11 or form does not excuse it from the penalty imposed by  
12 NRS 88.400.
- 13 4. If the list to be filed pursuant to the provisions of subsection  
14 1 is defective or the fee required by subsection 2 is not paid, the  
15 Secretary of State may return the list for correction or payment.
- 16 5. An annual list for a limited partnership not in default that is  
17 received by the Secretary of State more than 60 days before its due  
18 date shall be deemed an amended list for the previous year and does  
19 not satisfy the requirements of subsection 1 for the year to which the  
20 due date is applicable.
- 21 6. A filing made pursuant to this section does not satisfy the  
22 provisions of NRS 88.355 and may not be substituted for filings  
23 submitted pursuant to NRS 88.355.
- 24 **Sec. 113.** NRS 88.415 is hereby amended to read as follows:  
25 88.415 The Secretary of State, for services relating to his  
26 official duties and the records of his office, shall charge and collect  
27 the following fees:
- 28 1. For filing a certificate of limited partnership, or for  
29 registering a foreign limited partnership, \$175.
- 30 2. For filing a certificate of amendment of limited partnership  
31 or restated certificate of limited partnership, \$150.
- 32 3. For filing a certificate of a change of location of the records  
33 office of a limited partnership or the office of its resident agent, or a  
34 designation of a new resident agent, \$30.
- 35 4. For certifying a certificate of limited partnership, an  
36 amendment to the certificate, or a certificate as amended where a  
37 copy is provided, \$20 per certification.
- 38 5. For certifying an authorized printed copy of the limited  
39 partnership law, \$20.
- 40 6. For reserving a limited partnership name, or for executing,  
41 filing or certifying any other document, ~~[\$20.]~~ **\$30.**
- 42 7. For copies made at the Office of the Secretary of State, ~~[\$1]~~  
43 **\$1.50** per page.
- 44 8. For filing a certificate of cancellation of a limited  
45 partnership, \$60.



1 Except as otherwise provided in this section, the fees set forth in  
2 NRS 78.785 apply to this chapter.

3 **Sec. 114.** NRS 88A.600 is hereby amended to read as follows:  
4 88A.600 1. A business trust formed pursuant to this chapter  
5 shall, on or before the first day of the second month after the filing  
6 of its certificate of trust with the Secretary of State, and annually  
7 thereafter on or before the last day of the month in which the  
8 anniversary date of the filing of its certificate of trust with the  
9 Secretary of State occurs, file with the Secretary of State, on a form  
10 furnished by him, a list signed by at least one trustee that contains  
11 the name and mailing address of its resident agent and at least one  
12 trustee. Each list filed pursuant to this subsection must be  
13 accompanied by a declaration under penalty of perjury that the  
14 business trust has complied with the provisions of chapter 364A of  
15 NRS.

16 2. Upon filing:  
17 (a) The initial list required by subsection 1, the business trust  
18 shall pay to the Secretary of State a fee of \$165.

19 (b) Each annual list required by subsection 1, the business trust  
20 shall pay to the Secretary of State a fee of ~~[\$85.]~~ **\$130.**

21 3. The Secretary of State shall, 60 days before the last day for  
22 filing each annual list required by subsection 1, cause to be mailed  
23 to each business trust which is required to comply with the  
24 provisions of NRS 88A.600 to 88A.660, inclusive, and which has  
25 not become delinquent, the blank forms to be completed and filed  
26 with him. Failure of a business trust to receive the forms does not  
27 excuse it from the penalty imposed by law.

28 4. An annual list for a business trust not in default which is  
29 received by the Secretary of State more than 60 days before its due  
30 date shall be deemed an amended list for the previous year.

31 **Sec. 115.** NRS 88A.900 is hereby amended to read as follows:  
32 88A.900 The Secretary of State shall charge and collect the  
33 following fees for:

34 1. Filing an original certificate of trust, or for registering a  
35 foreign business trust, \$175.

36 2. Filing an amendment or restatement, or a combination  
37 thereof, to a certificate of trust, \$150.

38 3. Filing a certificate of cancellation, \$175.

39 4. Certifying a copy of a certificate of trust or an amendment or  
40 restatement, or a combination thereof, \$20 per certification.

41 5. Certifying an authorized printed copy of this chapter, \$20.

42 6. Reserving a name for a business trust, ~~[\$20.]~~ **\$30.**

43 7. Executing a certificate of existence of a business trust which  
44 does not list the previous documents relating to it, or a certificate of  
45 change in the name of a business trust, \$40.



- 1 8. Executing a certificate of existence of a business trust which
- 2 lists the previous documents relating to it, \$40.
- 3 9. Filing a statement of change of address of the registered
- 4 office for each business trust, \$30.
- 5 10. Filing a statement of change of the registered agent, \$30.
- 6 11. Executing, certifying or filing any certificate or document
- 7 not otherwise provided for in this section, \$40.
- 8 12. Examining and provisionally approving a document before
- 9 the document is presented for filing, ~~[\$100.]~~ **\$150.**
- 10 13. Copying a document on file with him, for each page, ~~[\$1.]~~
- 11 **\$1.50.**
- 12 **Sec. 116.** NRS 90.360 is hereby amended to read as follows:
- 13 90.360 1. An applicant for licensing shall pay a
- 14 nonrefundable licensing fee, due annually in the following amounts:
- 15 (a) Broker-dealer, ~~[\$150.]~~ **\$225.**
- 16 (b) Sales representative, ~~[\$55.]~~ **\$85.**
- 17 (c) Investment adviser, ~~[\$150.]~~ **\$225.**
- 18 (d) Representative of an investment adviser, ~~[\$55.]~~ **\$85.**
- 19 2. The Administrator by regulation may require licensing of
- 20 branch offices and impose a fee for the licensing and an annual fee.
- 21 3. For the purpose of this section, a "branch office" means any
- 22 place of business in this state other than the principal office in the
- 23 State of the broker-dealer, from which one or more sales
- 24 representatives transact business.
- 25 **Sec. 117.** NRS 90.380 is hereby amended to read as follows:
- 26 90.380 1. Unless a proceeding under NRS 90.420 has been
- 27 instituted, the license of any broker-dealer, sales representative,
- 28 investment adviser or representative of an investment adviser
- 29 becomes effective 30 days after an application for licensing has
- 30 been filed and is complete, including any amendment, if all
- 31 requirements imposed pursuant to NRS 90.370 and 90.375 have
- 32 been satisfied. An application or amendment is complete when the
- 33 applicant has furnished information responsive to each applicable
- 34 item of the application. The Administrator may authorize an earlier
- 35 effective date of licensing.
- 36 2. The license of a broker-dealer, sales representative,
- 37 investment adviser or representative of an investment adviser is
- 38 effective until terminated by revocation, suspension, expiration or
- 39 withdrawal.
- 40 3. The license of a sales representative is only effective with
- 41 respect to transactions effected on behalf of the broker-dealer or
- 42 issuer for whom the sales representative is licensed.
- 43 4. A person shall not at any one time act as a sales
- 44 representative for more than one broker-dealer or for more than one



1 issuer, unless the Administrator by regulation or order authorizes  
2 multiple licenses.

3 5. If a person licensed as a sales representative terminates  
4 association with a broker-dealer or issuer or ceases to be a sales  
5 representative, the sales representative and the broker-dealer or  
6 issuer on whose behalf the sales representative was acting shall  
7 promptly notify the Administrator.

8 6. The Administrator by regulation may authorize one or more  
9 special classifications of licenses as a broker-dealer, sales  
10 representative, investment adviser or representative of an investment  
11 adviser to be issued to applicants subject to limitations and  
12 conditions on the nature of the activities that may be conducted by  
13 persons so licensed.

14 7. The license of a broker-dealer, sales representative,  
15 investment adviser or representative of an investment adviser  
16 expires if:

17 (a) The statement required pursuant to NRS 90.375 is not  
18 submitted when it is due; or

19 (b) The annual fee required by NRS 90.360 is not paid when it is  
20 due.

21 8. A license that has expired may be reinstated retroactively if  
22 the licensed person:

23 (a) Submits the statement required pursuant to NRS 90.375; and

24 (b) Pays the fee required by NRS 90.360, plus a fee for  
25 reinstatement in the amount of ~~[\$25.]~~ \$40,

26 within 30 days after the date of expiration. If the license is not  
27 reinstated within that time, it shall be deemed to have lapsed as  
28 of the date of expiration, and the licensed person must thereafter  
29 submit a new application for licensing if he desires to be relicensed.

30 **Sec. 118.** NRS 90.456 is hereby amended to read as follows:

31 90.456 1. The Administrator may charge a fee not to exceed  
32 ~~[-25]~~ 0.4 percent of the total value of each transaction involving the  
33 purchase, sale or other transfer of a security conducted by a  
34 securities exchange located in this state.

35 2. The Administrator may adopt by regulation or order, and  
36 shall cause to be published, a table of fees based upon the direct cost  
37 of regulating the securities exchange.

38 **Sec. 119.** NRS 90.500 is hereby amended to read as follows:

39 90.500 1. A registration statement may be filed by the issuer,  
40 any other person on whose behalf the offering is to be made, or a  
41 broker-dealer licensed under this chapter.

42 2. Except as provided in subsection 3, a person filing a  
43 registration statement shall pay a filing fee of ~~[one-tenth of 1]~~ 0.15  
44 percent of the maximum aggregate offering price at which the  
45 registered securities are to be offered in this state, but not less than



1 ~~[\$350]~~ **\$525** or more than ~~[\$2,500.]~~ **\$3,750**. If a registration  
2 statement is withdrawn before the effective date or a pre-effective  
3 order is entered under NRS 90.510, the Administrator shall retain  
4 the fee.

5 3. An open-end management company, a face-amount  
6 certificate company or a unit investment trust, as defined in the  
7 Investment Company Act of 1940, may register an indefinite  
8 amount of securities under a registration statement. The registrant  
9 shall pay:

10 (a) A fee of ~~[\$500]~~ **\$750** at the time of filing; and

11 (b) Within 60 days after the registrant's fiscal year during which  
12 its statement is effective, a fee of ~~[\$2,000.]~~ **\$3,000**, or file a report  
13 on a form the Administrator adopts, specifying its sale of securities  
14 to persons in this state during the fiscal year and pay a fee of ~~one-~~  
15 ~~tenth of 1]~~ **0.15** percent of the aggregate sales price of the securities  
16 sold to persons in this state, but the latter fee must not be less than  
17 ~~[\$350]~~ **\$525** or more than ~~[\$2,500.]~~ **\$3,750**.

18 4. Except as otherwise permitted by subsection 3, a statement  
19 must specify:

20 (a) The amount of securities to be offered in this state and the  
21 states in which a statement or similar document in connection with  
22 the offering has been or is to be filed; and

23 (b) Any adverse order, judgment or decree entered by a  
24 securities agency or administrator in any state or by a court or the  
25 Securities and Exchange Commission in connection with the  
26 offering.

27 5. A document filed under this chapter as now or previously in  
28 effect, within 5 years before the filing of a registration statement,  
29 may be incorporated by reference in the registration statement if the  
30 document is currently accurate.

31 6. The Administrator by regulation or order may permit the  
32 omission of an item of information or document from a statement.

33 7. In the case of a nonissuer offering, the Administrator may  
34 not require information under **subsection 13 or** NRS 90.510 ~~for~~  
35 ~~subsection 13 of this section]~~ unless it is known to the person filing  
36 the registration statement or to the person on whose behalf the  
37 offering is to be made, or can be furnished by one of them without  
38 unreasonable effort or expense.

39 8. In the case of a registration under NRS 90.480 or 90.490 by  
40 an issuer who has no public market for its shares and no significant  
41 earnings from continuing operations during the last 5 years or any  
42 shorter period of its existence, the Administrator by regulation or  
43 order may require as a condition of registration that the following  
44 securities be deposited in escrow for not more than 3 years:



1 (a) A security issued to a promoter within the 3 years  
2 immediately before the offering or to be issued to a promoter for a  
3 consideration substantially less than the offering price; and

4 (b) A security issued to a promoter for a consideration other  
5 than cash, unless the registrant demonstrates that the value of the  
6 noncash consideration received in exchange for the security is  
7 substantially equal to the offering price for the security.

8 The Administrator by regulation may determine the conditions of an  
9 escrow required under this subsection, but the Administrator may  
10 not reject a depository solely because of location in another state.

11 9. The Administrator by regulation may require as a condition  
12 of registration under NRS 90.480 or 90.490 that the proceeds from  
13 the sale of the registered security in this state be impounded until the  
14 issuer receives a specified amount from the sale of the security. The  
15 Administrator by regulation or order may determine the conditions  
16 of an impounding arrangement required under this subsection, but  
17 the Administrator may not reject a depository solely because of its  
18 location in another state.

19 10. If a security is registered pursuant to NRS 90.470 or  
20 90.480, the prospectus filed under the Securities Act of 1933 must  
21 be delivered to each purchaser in accordance with the requirements  
22 of that act for the delivery of a prospectus.

23 11. If a security is registered pursuant to NRS 90.490, an  
24 offering document containing information the Administrator by  
25 regulation or order designates must be delivered to each purchaser  
26 with or before the earliest of:

27 (a) The first written offer made to the purchaser by or for the  
28 account of the issuer or another person on whose behalf the offering  
29 is being made or by an underwriter or broker-dealer who is offering  
30 part of an unsold allotment or subscription taken by it as a  
31 participant in the distribution;

32 (b) Confirmation of a sale made by or for the account of a  
33 person named in paragraph (a);

34 (c) Payment pursuant to a sale; or

35 (d) Delivery pursuant to a sale.

36 12. Except for a registration statement under which an  
37 indefinite amount of securities are registered as provided in  
38 subsection 3, a statement remains effective for 1 year after its  
39 effective date unless the Administrator by regulation extends the  
40 period of effectiveness. A registration statement under which an  
41 indefinite amount of securities are registered remains effective until  
42 60 days after the beginning of the registrant's next fiscal year  
43 following the date the statement was filed. All outstanding securities  
44 of the same class as a registered security are considered to be  
45 registered for the purpose of a nonissuer transaction while the



1 registration statement is effective, unless the Administrator by  
2 regulation or order provides otherwise. A registration statement may  
3 not be withdrawn after its effective date if any of the securities  
4 registered have been sold in this state, unless the Administrator by  
5 regulation or order provides otherwise. No registration statement is  
6 effective while an order is in effect under subsection 1 of  
7 NRS 90.510.

8 13. During the period that an offering is being made pursuant  
9 to an effective registration statement, the Administrator by  
10 regulation or order may require the person who filed the registration  
11 statement to file reports, not more often than quarterly, to keep  
12 reasonably current the information contained in the registration  
13 statement and to disclose the progress of the offering.

14 14. A registration statement filed under NRS 90.470 or 90.480  
15 may be amended after its effective date to increase the securities  
16 specified to be offered and sold. The amendment becomes effective  
17 upon filing of the amendment and payment of an additional filing  
18 fee of 3 times the fee otherwise payable, calculated in the manner  
19 specified in subsection 2, with respect to the additional securities to  
20 be offered and sold. The effectiveness of the amendment relates  
21 back to the date or dates of sale of the additional securities being  
22 registered.

23 15. A registration statement filed under NRS 90.490 may be  
24 amended after its effective date to increase the securities specified to  
25 be offered and sold, if the public offering price and underwriters'  
26 discounts and commissions are not changed from the respective  
27 amounts which the Administrator was informed. The amendment  
28 becomes effective when the Administrator so orders and relates  
29 back to the date of sale of the additional securities being registered.  
30 A person filing an amendment shall pay an additional filing fee of 3  
31 times the fee otherwise payable, calculated in the manner specified  
32 in subsection 2, with respect to the additional securities to be offered  
33 and sold.

34 **Sec. 120.** NRS 90.520 is hereby amended to read as follows:

35 90.520 1. As used in this section:

36 (a) "Guaranteed" means guaranteed as to payment of all or  
37 substantially all of principal and interest or dividends.

38 (b) "Insured" means insured as to payment of all or substantially  
39 all of principal and interest or dividends.

40 2. Except as otherwise provided in subsections 4 and 5, the  
41 following securities are exempt from NRS 90.460 and 90.560:

42 (a) A security, including a revenue obligation, issued, insured or  
43 guaranteed by the United States, an agency or corporate or other  
44 instrumentality of the United States, an international agency or  
45 corporate or other instrumentality of which the United States and



1 one or more foreign governments are members, a state, a political  
2 subdivision of a state, or an agency or corporate or other  
3 instrumentality of one or more states or their political subdivisions,  
4 or a certificate of deposit for any of the foregoing, but this  
5 exemption does not include a security payable solely from revenues  
6 to be received from an enterprise unless the:

7 (1) Payments are insured or guaranteed by the United States,  
8 an agency or corporate or other instrumentality of the United States,  
9 an international agency or corporate or other instrumentality of  
10 which the United States and one or more foreign governments are  
11 members, a state, a political subdivision of a state, or an agency or  
12 corporate or other instrumentality of one or more states or their  
13 political subdivisions, or by a person whose securities are exempt  
14 from registration pursuant to paragraphs (b) to (e), inclusive, or (g),  
15 or the revenues from which the payments are to be made are a direct  
16 obligation of such a person;

17 (2) Security is issued by this state or an agency,  
18 instrumentality or political subdivision of this state; or

19 (3) Payments are insured or guaranteed by a person who,  
20 within the 12 months next preceding the date on which the securities  
21 are issued, has received a rating within one of the top four rating  
22 categories of either Moody's Investors Service, Inc., or Standard  
23 and Poor's Ratings Services.

24 (b) A security issued, insured or guaranteed by Canada, a  
25 Canadian province or territory, a political subdivision of Canada or  
26 of a Canadian province or territory, an agency or corporate or other  
27 instrumentality of one or more of the foregoing, or any other foreign  
28 government or governmental combination or entity with which the  
29 United States maintains diplomatic relations, if the security is  
30 recognized as a valid obligation by the issuer, insurer or guarantor.

31 (c) A security issued by and representing an interest in or a  
32 direct obligation of a depository institution if the deposit or share  
33 accounts of the depository institution are insured by the Federal  
34 Deposit Insurance Corporation, the National Credit Union Share  
35 Insurance Fund or a successor to an applicable agency authorized by  
36 federal law.


37 (d) A security issued by and representing an interest in or a  
38 direct obligation of, or insured or guaranteed by, an insurance  
39 company organized under the laws of any state and authorized to do  
40 business in this state.

41 (e) A security issued or guaranteed by a railroad, other common  
42 carrier, public utility or holding company that is:

43 (1) Subject to the jurisdiction of the Surface Transportation  
44 Board;





- 1 (2) A registered holding company under the Public Utility  
2 Holding Company Act of 1935 or a subsidiary of a registered  
3 holding company within the meaning of that act;
- 4 (3) Regulated in respect to its rates and charges by a  
5 governmental authority of the United States or a state; or
- 6 (4) Regulated in respect to the issuance or guarantee of the  
7 security by a governmental authority of the United States, a state,  
8 Canada, or a Canadian province or territory.
- 9 (f) Equipment trust certificates in respect to equipment leased or  
10 conditionally sold to a person, if securities issued by the person  
11 would be exempt pursuant to this section.
- 12 (g) A security listed or approved for listing upon notice of  
13 issuance on the New York Stock Exchange, the American Stock  
14 Exchange, the Midwest Stock Exchange, the Pacific Stock  
15 Exchange or other exchange designated by the Administrator, any  
16 other security of the same issuer which is of senior or substantially  
17 equal rank, a security called for by subscription right or warrant so  
18 listed or approved, or a warrant or right to purchase or subscribe to  
19 any of the foregoing.
- 20 (h) A security designated or approved for designation upon  
21 issuance or notice of issuance for inclusion in the national market  
22 system by the National Association of Securities Dealers, Inc., any  
23 other security of the same issuer which is of senior or substantially  
24 equal rank, a security called for by subscription right or warrant so  
25 designated, or a warrant or a right to purchase or subscribe to any of  
26 the foregoing.
- 27 (i) An option issued by a clearing agency registered under the  
28 Securities Exchange Act of 1934, other than an off-exchange futures  
29 contract or substantially similar arrangement, if the security,  
30 currency, commodity  or other interest underlying the option is:
- 31 (1) Registered under NRS 90.470, 90.480 or 90.490;  
32 (2) Exempt pursuant to this section; or  
33 (3) Not otherwise required to be registered under this  
34 chapter.
- 35 (j) A security issued by a person organized and operated not for  
36 private profit but exclusively for a religious, educational,  
37 benevolent, charitable, fraternal, social, athletic or reformatory  
38 purpose, or as a chamber of commerce or trade or professional  
39 association if at least 10 days before the sale of the security the  
40 issuer has filed with the Administrator a notice setting forth the  
41 material terms of the proposed sale and copies of any sales and  
42 advertising literature to be used and the Administrator by order does  
43 not disallow the exemption within the next 5 full business days.
- 44 (k) A promissory note, draft, bill of exchange or banker's  
45 acceptance that evidences an obligation to pay cash within 9 months



1 after the date of issuance, exclusive of days of grace, is issued in  
2 denominations of at least \$50,000 and receives a rating in one of the  
3 three highest rating categories from a nationally recognized  
4 statistical rating organization, or a renewal of such an obligation that  
5 is likewise limited, or a guarantee of such an obligation or of a  
6 renewal.

7 (l) A security issued in connection with an employees' stock  
8 purchase, savings, option, profit-sharing, pension or similar  
9 employees' benefit plan.

10 (m) A membership or equity interest in, or a retention certificate  
11 or like security given in lieu of a cash patronage dividend issued by,  
12 a cooperative organized and operated as a nonprofit membership  
13 cooperative under the cooperative laws of any state if not traded to  
14 the general public.

15 (n) A security issued by an issuer registered as an open-end  
16 management investment company or unit investment trust under  
17 section 8 of the Investment Company Act of 1940 if:

18 (1) The issuer is advised by an investment adviser that is a  
19 depository institution exempt from registration under the Investment  
20 Adviser Act of 1940 or that is currently registered as an investment  
21 adviser, and has been registered, or is affiliated with an adviser that  
22 has been registered, as an investment adviser under the Investment  
23 Advisers Act of 1940 for at least 3 years next preceding an offer or  
24 sale of a security claimed to be exempt pursuant to this paragraph,  
25 and the issuer has acted, or is affiliated with an investment adviser  
26 that has acted, as investment adviser to one or more registered  
27 investment companies or unit investment trusts for at least 3 years  
28 next preceding an offer or sale of a security claimed to be exempt  
29 under this paragraph; or

30 (2) The issuer has a sponsor that has at all times throughout  
31 the 3 years before an offer or sale of a security claimed to be exempt  
32 pursuant to this paragraph sponsored one or more registered  
33 investment companies or unit investment trusts the aggregate total  
34 assets of which have exceeded \$100,000,000.

35 3. For the purpose of paragraph (n) of subsection 2, an  
36 investment adviser is affiliated with another investment adviser if it  
37 controls, is controlled by, or is under common control with the other  
38 investment adviser.

39 4. The exemption provided by paragraph (n) of subsection 2 is  
40 available only if the person claiming the exemption files with the  
41 Administrator a notice of intention to sell which sets forth the name  
42 and address of the issuer and the securities to be offered in this state  
43 and pays a fee ~~of:~~

44 ~~—(a) Two hundred and fifty~~ :



1 (a) *Of \$375* dollars for the initial claim of exemption and the  
2 same amount at the beginning of each fiscal year thereafter in which  
3 securities are to be offered in this state, in the case of an open-end  
4 management company; or

5 (b) ~~One hundred and fifty dollars~~ *Of \$225* for the initial claim  
6 of exemption in the case of a unit investment trust.

7 5. An exemption provided by paragraph (c), (e), (f), (i) or (k)  
8 of subsection 2 is available only if, within the 12 months  
9 immediately preceding the use of the exemption, a notice of claim  
10 of exemption has been filed with the Administrator and a  
11 nonrefundable fee of ~~\$150~~ *\$225* has been paid.

12 **Sec. 121.** NRS 90.530 is hereby amended to read as follows:

13 90.530 The following transactions are exempt from NRS  
14 90.460 and 90.560:

15 1. An isolated nonissuer transaction, whether or not effected  
16 through a broker-dealer.

17 2. A nonissuer transaction in an outstanding security if the  
18 issuer of the security has a class of securities subject to registration  
19 under section 12 of the Securities Exchange Act of 1934, 15 U.S.C.  
20 § 781, and has been subject to the reporting requirements of section  
21 13 or ~~15(e)~~ *15(d)* of the Securities Exchange Act of 1934, 15  
22 U.S.C. §§ 78m and 78o(d), for not less than 90 days next preceding  
23 the transaction, or has filed and maintained with the Administrator  
24 for not less than 90 days preceding the transaction information, in  
25 such form as the Administrator, by regulation, specifies,  
26 substantially comparable to the information the issuer would be  
27 required to file under section 12(b) or 12(g) of the Securities  
28 Exchange Act of 1934, 15 U.S.C. §§ 78l(b) and 78l(g), were the  
29 issuer to have a class of its securities registered under section 12 of  
30 the Securities Exchange Act of 1934, 15 U.S.C. § 781, and paid a fee  
31 *of \$225* with the filing. ~~of \$150.~~

32 3. A nonissuer transaction by a sales representative licensed in  
33 this state, in an outstanding security if:

34 (a) The security is sold at a price reasonably related to the  
35 current market price of the security at the time of the transaction;

36 (b) The security does not constitute all or part of an unsold  
37 allotment to, or subscription or participation by, a broker-dealer as  
38 an underwriter of the security;

39 (c) At the time of the transaction, a recognized securities manual  
40 designated by the Administrator by regulation or order contains the  
41 names of the issuer's officers and directors, a statement of the  
42 financial condition of the issuer as of a date within the preceding 18  
43 months, and a statement of income or operations for each of the last  
44 2 years next preceding the date of the statement of financial



1 condition, or for the period as of the date of the statement of  
2 financial condition if the period of existence is less than 2 years;

3 (d) The issuer of the security has not undergone a major  
4 reorganization, merger or acquisition within the preceding 30 days  
5 which is not reflected in the information contained in the manual;  
6 and

7 (e) At the time of the transaction, the issuer of the security has a  
8 class of equity security listed on the New York Stock Exchange,  
9 American Stock Exchange or other exchange designated by the  
10 Administrator, or on the National Market System of the National  
11 Association of Securities Dealers Automated Quotation System. The  
12 requirements of this paragraph do not apply if:

13 (1) The security has been outstanding for at least 180 days;

14 (2) The issuer of the security is actually engaged in business  
15 and is not developing his business, in bankruptcy or in receivership;  
16 and

17 (3) The issuer of the security has been in continuous  
18 operation for at least 5 years.

19 4. A nonissuer transaction in a security that has a fixed  
20 maturity or a fixed interest or dividend provision if there has been  
21 no default during the current fiscal year or within the 3 preceding  
22 years, or during the existence of the issuer, and any predecessors if  
23 less than 3 years, in the payment of principal, interest or dividends  
24 on the security.

25 5. A nonissuer transaction effected by or through a registered  
26 broker-dealer pursuant to an unsolicited order or offer to purchase.

27 6. A transaction between the issuer or other person on whose  
28 behalf the offering of a security is made and an underwriter, or a  
29 transaction among underwriters.

30 7. A transaction in a bond or other evidence of indebtedness  
31 secured by a real estate mortgage, deed of trust, personal property  
32 security agreement, or by an agreement for the sale of real estate or  
33 personal property, if the entire mortgage, deed of trust or agreement,  
34 together with all the bonds or other evidences of indebtedness  
35 secured thereby, is offered and sold as a unit.

36 8. A transaction by an executor, administrator, sheriff, marshal,  
37 receiver, trustee in bankruptcy, guardian or conservator.

38 9. A transaction executed by a bona fide secured party without  
39 the purpose of evading this chapter.

40 10. An offer to sell or sale of a security to a financial or  
41 institutional investor or to a broker-dealer.

42 11. Except as otherwise provided in this subsection, a  
43 transaction pursuant to an offer to sell securities of an issuer if:



- 1 (a) The transaction is part of an issue in which there are not  
2 more than 25 purchasers in this state, other than those designated in  
3 subsection 10, during any 12 consecutive months;
- 4 (b) No general solicitation or general advertising is used in  
5 connection with the offer to sell or sale of the securities;
- 6 (c) No commission or other similar compensation is paid or  
7 given, directly or indirectly, to a person, other than a broker-dealer  
8 licensed or not required to be licensed under this chapter, for  
9 soliciting a prospective purchaser in this state; and
- 10 (d) One of the following conditions is satisfied:
- 11 (1) The seller reasonably believes that all the purchasers in  
12 this state, other than those designated in subsection 10, are  
13 purchasing for investment; or
- 14 (2) Immediately before and immediately after the  
15 transaction, the issuer reasonably believes that the securities of the  
16 issuer are held by 50 or fewer beneficial owners, other than those  
17 designated in subsection 10, and the transaction is part of an  
18 aggregate offering that does not exceed \$500,000 during any 12  
19 consecutive months.
- 20 The Administrator by rule or order as to a security or transaction or  
21 a type of security or transaction, may withdraw or further condition  
22 the exemption set forth in this subsection or waive one or more of  
23 the conditions of the exemption.
- 24 12. An offer to sell or sale of a preorganization certificate or  
25 subscription if:
- 26 (a) No commission or other similar compensation is paid or  
27 given, directly or indirectly, for soliciting a prospective subscriber;
- 28 (b) No public advertising or general solicitation is used in  
29 connection with the offer to sell or sale;
- 30 (c) The number of offers does not exceed 50;
- 31 (d) The number of subscribers does not exceed 10; and
- 32 (e) No payment is made by a subscriber.
- 33 13. An offer to sell or sale of a preorganization certificate or  
34 subscription issued in connection with the organization of a  
35 depository institution if that organization is under the supervision of  
36 an official or agency of a state or of the United States which has and  
37 exercises the authority to regulate and supervise the organization of  
38 the depository institution. For the purpose of this subsection, "under  
39 the supervision of an official or agency" means that the official or  
40 agency by law has authority to require disclosures to prospective  
41 investors similar to those required under NRS 90.490, impound  
42 proceeds from the sale of a preorganization certificate or  
43 subscription until organization of the depository institution is  
44 completed, and require refund to investors if the depository



1 institution does not obtain a grant of authority from the appropriate  
2 official or agency.

3 14. A transaction pursuant to an offer to sell to existing  
4 security holders of the issuer, including persons who at the time of  
5 the transaction are holders of transferable warrants exercisable  
6 within not more than 90 days after their issuance, convertible  
7 securities or nontransferable warrants, if:

8 (a) No commission or other similar compensation other than a  
9 standby commission, is paid or given, directly or indirectly, for  
10 soliciting a security holder in this state; or

11 (b) The issuer first files a notice specifying the terms of the offer  
12 to sell, together with a nonrefundable fee of ~~[\$150,]~~ \$225, and the  
13 Administrator does not by order disallow the exemption within the  
14 next 5 full business days.

15 15. A transaction involving an offer to sell, but not a sale, of a  
16 security not exempt from registration under the Securities Act of  
17 1933, 15 U.S.C. §§ 77a et seq., if:

18 (a) A registration or offering statement or similar document as  
19 required under the Securities Act of 1933, 15 U.S.C. §§ 77a et seq.,  
20 has been filed, but is not effective;

21 (b) A registration statement, if required, has been filed under  
22 this chapter, but is not effective; and

23 (c) No order denying, suspending or revoking the effectiveness  
24 of registration, of which the offeror is aware, has been entered by  
25 the Administrator or the Securities and Exchange Commission, and  
26 no examination or public proceeding that may culminate in that kind  
27 of order is known by the offeror to be pending.

28 16. A transaction involving an offer to sell, but not a sale, of a  
29 security exempt from registration under the Securities Act of 1933,  
30 15 U.S.C. §§ 77a et seq., if:

31 (a) A registration statement has been filed under this chapter, but  
32 is not effective; and

33 (b) No order denying, suspending or revoking the effectiveness  
34 of registration, of which the offeror is aware, has been entered by  
35 the Administrator and no examination or public proceeding that may  
36 culminate in that kind of order is known by the offeror to be  
37 pending.

38 17. A transaction involving the distribution of the securities of  
39 an issuer to the security holders of another person in connection  
40 with a merger, consolidation, exchange of securities, sale of assets  
41 or other reorganization to which the issuer, or its parent or  
42 subsidiary, and the other person, or its parent or subsidiary, are  
43 parties, if:



1 (a) The securities to be distributed are registered under the  
2 Securities Act of 1933, 15 U.S.C. §§ 77a et seq., before the  
3 consummation of the transaction; or

4 (b) The securities to be distributed are not required to be  
5 registered under the Securities Act of 1933, 15 U.S.C. §§ 77a et  
6 seq., written notice of the transaction and a copy of the materials, if  
7 any, by which approval of the transaction will be solicited, together  
8 with a nonrefundable fee of ~~[\$150.] \$225~~, are given to the  
9 Administrator at least 10 days before the consummation of  
10 the transaction and the Administrator does not, by order, disallow  
11 the exemption within the next 10 days.

12 18. A transaction involving the offer to sell or sale of one or  
13 more promissory notes each of which is directly secured by a first  
14 lien on a single parcel of real estate, or a transaction involving the  
15 offer to sell or sale of participation interests in the notes if the notes  
16 and participation interests are originated by a depository institution  
17 and are offered and sold subject to the following conditions:

18 (a) The minimum aggregate sales price paid by each purchaser  
19 may not be less than \$250,000;

20 (b) Each purchaser must pay cash either at the time of the sale or  
21 within 60 days after the sale; and

22 (c) Each purchaser may buy for his own account only.

23 19. A transaction involving the offer to sell or sale of one or  
24 more promissory notes directly secured by a first lien on a single  
25 parcel of real estate or participating interests in the notes, if the  
26 notes and interests are originated by a mortgagee approved by the  
27 Secretary of Housing and Urban Development under sections 203  
28 and 211 of the National Housing Act, 12 U.S.C. §§ 1709 and 1715b,  
29 and are offered or sold, subject to the conditions specified in  
30 subsection 18, to a depository institution or insurance company, the  
31 Federal Home Loan Mortgage Corporation, the Federal National  
32 Mortgage Association or the Government National Mortgage  
33 Association.

34 20. A transaction between any of the persons described in  
35 subsection 19 involving a nonassignable contract to buy or sell the  
36 securities described in subsection 18 if the contract is to be  
37 completed within 2 years and if:

38 (a) The seller of the securities pursuant to the contract is one of  
39 the parties described in subsection 18 or 19 who may originate  
40 securities;

41 (b) The purchaser of securities pursuant to a contract is any  
42 other person described in subsection 19; and

43 (c) The conditions described in subsection 18 are fulfilled.



1 21. A transaction involving one or more promissory notes  
2 secured by a lien on real estate, or participating interests in those  
3 notes, by:

4 (a) A mortgage company licensed pursuant to chapter 645E of  
5 NRS to engage in those transactions; or

6 (b) A mortgage broker licensed pursuant to chapter 645B of  
7 NRS to engage in those transactions.

8 **Sec. 122.** NRS 90.540 is hereby amended to read as follows:  
9 90.540 The Administrator by regulation or order may:

10 1. Exempt any other security or transaction or class of  
11 securities or transactions from NRS 90.460 and 90.560.

12 2. Adopt a transactional exemption for limited offerings that  
13 will further the objectives of compatibility with the exemptions from  
14 securities registration authorized by the Securities Act of 1933 and  
15 uniformity among the states.

16 3. Require the filing of a notice and the payment of a fee not  
17 greater than ~~[\$250]~~ \$375 for an exemption adopted pursuant to this  
18 section.

19 **Sec. 123.** NRS 92A.195 is hereby amended to read as follows:

20 92A.195 1. One foreign entity or foreign general partnership  
21 may convert into one domestic entity if:

22 (a) The conversion is permitted by the law of the jurisdiction  
23 governing the foreign entity or foreign general partnership and the  
24 foreign entity or foreign general partnership complies with that law  
25 in effecting the conversion;

26 (b) The foreign entity or foreign general partnership complies  
27 with the applicable provisions of NRS 92A.205 and, if it is the  
28 resulting entity in the conversion, with NRS 92A.210 to 92A.240,  
29 inclusive; and

30 (c) The domestic entity complies with the applicable provisions  
31 of NRS 92A.105, 92A.120, 92A.135, 92A.140 and 92A.165 and, if  
32 it is the resulting entity in the conversion, with NRS 92A.205 to  
33 92A.240, inclusive.

34 2. When the conversion takes effect, the resulting foreign entity  
35 in a conversion shall be deemed to have appointed the Secretary of  
36 State as its agent for service of process in a proceeding to enforce  
37 any obligation. Service of process must be made personally by  
38 delivering to and leaving with the Secretary of State duplicate  
39 copies of the process and the payment of a fee of ~~[\$25]~~ \$40 for  
40 accepting and transmitting the process. The Secretary of State shall  
41 send one of the copies of the process by registered or certified mail  
42 to the resulting entity at its specified address, unless the resulting  
43 entity has designated in writing to the Secretary of State a different  
44 address for that purpose, in which case it must be mailed to the last  
45 address so designated.





1     **Sec. 124.** NRS 104.9525 is hereby amended to read as  
2 follows:

3     104.9525 1. Except as otherwise provided in subsection 5,  
4 the fee for filing and indexing a record under this part, other than an  
5 initial financing statement of the kind described in subsection 2 of  
6 NRS 104.9502, is:

7     (a) ~~Twenty~~ *Thirty* dollars if the record is communicated in  
8 writing and consists of one or two pages;

9     (b) ~~Forty~~ *Sixty* dollars if the record is communicated in writing  
10 and consists of more than two pages, and ~~Five~~ *\$1.50* for each page  
11 over 20 pages;

12     (c) ~~Ten~~ *Fifteen* dollars if the record is communicated by  
13 another medium authorized by filing-office rule; and

14     (d) One dollar *and fifty cents* for each additional debtor, trade  
15 name or reference to another name under which business is done.

16     2. The filing officer may charge and collect ~~Five~~ *\$1.50* for each  
17 page of copy or record of filings produced by him at the request of  
18 any person.

19     3. Except as otherwise provided in subsection 5, the fee for  
20 filing and indexing an initial financing statement of the kind  
21 described in subsection 3 of NRS 104.9502 is:

22     (a) ~~Forty~~ *Sixty* dollars if the financing statement indicates that  
23 it is filed in connection with a public-finance transaction; and

24     (b) ~~Twenty~~ *Thirty* dollars if the financing statement indicates  
25 that it is filed in connection with a manufactured-home transaction.

26     4. The fee for responding to a request for information from the  
27 filing office, including for issuing a certificate showing whether  
28 there is on file any financing statement naming a particular debtor,  
29 is:

30     (a) ~~Twenty~~ *Thirty* dollars if the request is communicated in  
31 writing; and

32     (b) ~~Fifteen~~ *Twenty-five* dollars if the request is communicated  
33 by another medium authorized by filing-office rule.

34     5. This section does not require a fee with respect to a  
35 mortgage that is effective as a financing statement filed as a fixture  
36 filing or as a financing statement covering as-extracted collateral or  
37 timber to be cut under subsection 3 of NRS 104.9502. However, the  
38 fees for recording and satisfaction which otherwise would be  
39 applicable to the mortgage apply.

40     **Sec. 125.** NRS 105.070 is hereby amended to read as follows:

41     105.070 1. The Secretary of State or county recorder shall  
42 mark any security instrument and any statement of change, merger  
43 or consolidation presented for filing with the day and hour of filing  
44 and the file number assigned to it. This mark is, in the absence of



1 other evidence, conclusive proof of the time and fact of presentation  
2 for filing.

3 2. The Secretary of State or county recorder shall retain and  
4 file all security instruments and statements of change, merger or  
5 consolidation presented for filing.

6 3. The uniform fee for filing and indexing a security  
7 instrument, or a supplement or amendment thereto, and a statement  
8 of change, merger or consolidation, and for stamping a copy of  
9 those documents furnished by the secured party or the public utility,  
10 to show the date and place of filing is ~~[\$15]~~ \$25 if the document is  
11 in the standard form prescribed by the Secretary of State and  
12 otherwise is ~~[\$20, plus \$1]~~ \$30, plus \$1.50 for each additional  
13 debtor or trade name.

14 **Sec. 126.** NRS 105.080 is hereby amended to read as follows:

15 105.080 Upon the request of any person, the Secretary of State  
16 shall issue his certificate showing whether there is on file on the  
17 date and hour stated therein, any presently effective security  
18 instrument naming a particular public utility, and if there is, giving  
19 the date and hour of filing of the instrument and the names and  
20 addresses of each secured party. The uniform fee for such a  
21 certificate is ~~[\$15]~~ \$25 if the request for the certificate is in the  
22 standard form prescribed by the Secretary of State and otherwise is  
23 ~~[\$20.]~~ \$30. Upon request , the Secretary of State or a county  
24 recorder shall furnish a copy of any filed security instrument upon  
25 payment of the statutory fee for copies.

26 **Sec. 127.** NRS 108.831 is hereby amended to read as follows:

27 108.831 1. If a notice of federal lien, a refiling of a notice of  
28 federal lien, or a notice of revocation of any certificate described in  
29 subsection 2 is presented to the filing officer who is:

30 (a) The Secretary of State, he shall cause the notice to be  
31 marked, held and indexed in accordance with the provisions of NRS  
32 104.9519 as if the notice were a financing statement within the  
33 meaning of the Uniform Commercial Code.

34 (b) Any other officer described in NRS 108.827, he shall  
35 endorse thereon his identification and the date and time of receipt  
36 and forthwith file it alphabetically or enter it in an alphabetical  
37 index showing the name of the person named in the notice and the  
38 date of receipt.

39 2. If a certificate of release, nonattachment, discharge or  
40 subordination of any federal lien is presented to the Secretary of  
41 State for filing , he shall:

42 (a) Cause a certificate of release or nonattachment to be marked,  
43 held and indexed as if the certificate were a termination statement  
44 within the meaning of the Uniform Commercial Code, except that



1 the notice of lien to which the certificate relates must not be  
2 removed from the files; and

3 (b) Cause a certificate of discharge or subordination to be held,  
4 marked and indexed as if the certificate were a release of collateral  
5 within the meaning of the Uniform Commercial Code.

6 3. If a refiled notice of federal lien referred to in subsection 1  
7 or any of the certificates or notices referred to in subsection 2 is  
8 presented for filing with any other filing officer specified in NRS  
9 108.827, he shall enter the refiled notice or the certificate with the  
10 date of filing in any alphabetical index of liens.

11 4. Upon request of any person, the filing officer shall issue his  
12 certificate showing whether there is on file, on the date and hour  
13 stated therein, any active notice of lien or certificate or notice  
14 affecting any lien filed under NRS 108.825 to 108.837, inclusive,  
15 naming a particular person, and if a notice or certificate is on file,  
16 giving the date and hour of filing of each notice or certificate. The  
17 certificate must state that it reveals active liens only. The fee for a  
18 certificate is ~~[\$15]~~ \$25 if the statement is in the standard form  
19 prescribed by the Secretary of State and otherwise is ~~[\$20.]~~ \$30.  
20 Upon request, the filing officer shall furnish a copy of any notice of  
21 federal lien or notice or certificate affecting a federal lien for the  
22 statutory fee for copies.

23 **Sec. 128.** NRS 119.130 is hereby amended to read as follows:

24 119.130 1. No subdivision or lot, parcel, unit or interest in  
25 any subdivision may in any way be offered or sold in this state by  
26 any person until:

27 (a) He has appointed in writing the Secretary of State to be his  
28 agent, upon whom all process, in any action or proceeding against  
29 him, may be served, and in this writing he agrees that any process  
30 against him which is served on the Secretary of State is of the same  
31 legal validity as if served on him and that the appointment continues  
32 in force as long as any liability remains outstanding against him in  
33 this state. The written appointment must be acknowledged before a  
34 notary public and must be filed in the Office of the Secretary of  
35 State with a fee of ~~[\$10]~~ \$15 for accepting and transmitting any  
36 legal process served on the Secretary of State. Copies certified by  
37 the Secretary of State are sufficient evidence of the appointment and  
38 agreement.

39 (b) He has received a license under NRS 119.160.

40 2. Service of process authorized by paragraph (a) of subsection  
41 1 must be made by filing with the Secretary of State:

42 (a) Two copies of the legal process. The copies must include a  
43 specific citation to the provisions of this section. The Secretary of  
44 State may refuse to accept such service if the proper citation is not  
45 included in each copy.



1 (b) A fee of ~~[\$10.]~~ **\$15.**  
2 The Secretary of State shall forthwith forward one copy of the legal  
3 process to the licensee, by registered or certified mail prepaid to the  
4 licensee.

5 **Sec. 129.** Chapter 225 of NRS is hereby amended by adding  
6 thereto a new section to read as follows:

7 *It is the intent of the Legislature that the fees authorized or*  
8 *required to be collected by the Secretary of State must not be*  
9 *increased for a period of at least 10 years after July 1, 2003.*

10 **Sec. 130.** NRS 225.140 is hereby amended to read as follows:

11 225.140 1. Except as otherwise provided in subsection 2, in  
12 addition to other fees authorized by law, the Secretary of State shall  
13 charge and collect the following fees:

- 14
- 15 For a copy of any law, joint resolution,
- 16 transcript of record, or other paper on file
- 17 or of record in his office, other than a
- 18 document required to be filed pursuant to
- 19 title 24 of NRS, per page..... ~~[\$1.00]~~ **\$1.50**
- 20 For a copy of any document required to be
- 21 filed pursuant to title 24 of NRS, per page ..... ~~[-.50]~~ **.75**
- 22 For certifying to any such copy and use of the
- 23 State Seal, for each impression ..... ~~[+0.00]~~ **15.00**
- 24 For each passport or other document signed
- 25 by the Governor and attested by the
- 26 Secretary of State ..... ~~[+0.00]~~ **15.00**
- 27 For a negotiable instrument returned unpaid ..... ~~[+0.00]~~ **15.00**
- 28

29 2. The Secretary of State:

30 (a) Shall charge a reasonable fee for searching records and  
31 documents kept in his office.

32 (b) May charge or collect any filing or other fees for services  
33 rendered by him to the State of Nevada, any local governmental  
34 agency or agency of the Federal Government, or any officer thereof  
35 in his official capacity or respecting his office or official duties.

36 (c) May not charge or collect a filing or other fee for:

37 (1) Attesting extradition papers or executive warrants for  
38 other states.

39 (2) Any commission or appointment issued or made by the  
40 Governor, either for the use of the State Seal or otherwise.

41 (d) May charge a reasonable fee ~~[, not to exceed:~~

42 ~~(1) Five hundred dollars,] of:~~

43 **(1) Not more than \$500** for providing service within 2 hours  
44 after the time the service is requested; and



1 (2) ~~One hundred dollars,~~ *Not more than \$150* for providing  
2 any other special service, including, but not limited to, providing  
3 service more than 2 hours but within 24 hours after the time the  
4 service is requested, accepting documents filed by facsimile  
5 machine and other use of new technology.

6 (e) Shall charge a fee, not to exceed the actual cost to the  
7 Secretary of State, for providing:

8 (1) A copy of any record kept in his office that is stored on a  
9 computer or on microfilm if the copy is provided on a tape, disc or  
10 other medium used for the storage of information by a computer or  
11 on duplicate film.

12 (2) Access to his computer database on which records are  
13 stored.

14 3. From each fee collected pursuant to paragraph (d) of  
15 subsection 2:

16 (a) The entire amount or \$50, whichever is less, of the fee  
17 collected pursuant to subparagraph (1) of that paragraph and ~~half~~  
18 *one-third* of the fee collected pursuant to subparagraph (2) of that  
19 paragraph must be deposited with the State Treasurer for credit to  
20 the Account for Special Services of the Secretary of State in the  
21 State General Fund. Any amount remaining in the Account at the  
22 end of a fiscal year in excess of \$2,000,000 must be transferred to  
23 the State General Fund. Money in the Account may be transferred to  
24 the Secretary of State's operating general fund budget account and  
25 must only be used to create and maintain the capability of the Office  
26 of the Secretary of State to provide special services, including, but  
27 not limited to, providing service:

28 (1) On the day it is requested or within 24 hours; or

29 (2) Necessary to increase or maintain the efficiency of the  
30 Office.

31 Any transfer of money from the Account for expenditure by the  
32 Secretary of State must be approved by the Interim Finance  
33 Committee.

34 (b) After deducting the amount required pursuant to paragraph  
35 (a), the remainder must be deposited with the State Treasurer for  
36 credit to the State General Fund.

37 **Sec. 131.** NRS 240.030 is hereby amended to read as follows:

38 240.030 1. Except as otherwise provided in subsection 4,  
39 each person applying for appointment as a notary public must:

40 (a) At the time he submits his application, pay to the Secretary  
41 of State ~~\$35.~~ *\$55.*

42 (b) Take and subscribe to the oath set forth in Section 2 of  
43 Article 15 of the Constitution of the State of Nevada as if he were a  
44 public officer.



1 (c) Enter into a bond to the State of Nevada in the sum of  
2 \$10,000, to be filed with the clerk of the county in which the  
3 applicant resides or, if the applicant is a resident of an adjoining  
4 state, with the clerk of the county in this state in which the applicant  
5 maintains a place of business or is employed. The applicant shall  
6 submit to the Secretary of State a certificate issued by the  
7 appropriate county clerk which indicates that the applicant filed the  
8 bond required pursuant to this paragraph.

9 2. In addition to the requirements set forth in subsection 1, an  
10 applicant for appointment as a notary public, including, without  
11 limitation, a court reporter, who resides in an adjoining state must  
12 submit to the Secretary of State with his application:

13 (a) An affidavit setting forth the adjoining state in which he  
14 resides, his mailing address and the address of his place of business  
15 or employment that is located within the State of Nevada; and

16 (b) Unless the applicant is self-employed, an affidavit from his  
17 employer setting forth the facts that show:

18 (1) The employer is licensed to do business in the State of  
19 Nevada; and

20 (2) The employer regularly employs the applicant at an  
21 office, business or facility which is located within the State of  
22 Nevada.

23 3. In completing an application, bond, oath or other document  
24 necessary to apply for appointment as a notary public, an applicant  
25 must not be required to disclose his residential address or telephone  
26 number on any such document which will become available to the  
27 public.

28 4. A court reporter who has received a certificate of registration  
29 pursuant to NRS 656.180 may apply for appointment as a notary  
30 public with limited powers. Such an applicant is not required to  
31 enter into a bond to obtain the limited power of a notary public to  
32 administer oaths or affirmations.

33 5. If required, the bond, together with the oath, must be filed  
34 and recorded in the office of the county clerk of the county in which  
35 the applicant resides when he applies for his appointment or, if the  
36 applicant is a resident of an adjoining state, with the clerk of the  
37 county in this state in which the applicant maintains a place of  
38 business or is employed. On a form provided by the Secretary  
39 of State, the county clerk shall immediately certify to the Secretary  
40 of State that the required bond and oath have been filed and  
41 recorded. Upon receipt of the application, fee and certification that  
42 the required bond and oath have been filed and recorded, the  
43 Secretary of State shall issue a certificate of appointment as a notary  
44 public to the applicant.



1 6. Except as otherwise provided in subsection 7, the term of a  
2 notary public commences on the effective date of the bond required  
3 pursuant to paragraph (c) of subsection 1. A notary public shall not  
4 perform a notarial act after the effective date of the bond unless he  
5 has been issued a certificate of appointment.

6 7. The term of a notary public with limited powers commences  
7 on the date set forth in his certificate of appointment.

8 8. Except as otherwise provided in this subsection, the  
9 Secretary of State shall charge a fee of ~~[\$10]~~ \$15 for each duplicate  
10 or amended certificate of appointment which is issued to a notary. If  
11 the notary public does not receive an original certificate of  
12 appointment, the Secretary of State shall provide a duplicate  
13 certificate of appointment without charge if the notary public  
14 requests such a duplicate within 60 days after the date on which the  
15 original certificate was issued.

16 **Sec. 132.** NRS 240.033 is hereby amended to read as follows:

17 240.033 1. The bond required to be filed pursuant to NRS  
18 240.030 must be executed by the person applying to become a  
19 notary public as principal and by a surety company qualified and  
20 authorized to do business in this state. The bond must be made  
21 payable to the State of Nevada and be conditioned to provide  
22 indemnification to a person determined to have suffered damage as  
23 a result of an act by the notary public which violates a provision of  
24 NRS 240.001 to 240.169, inclusive. The surety company shall pay a  
25 final, nonappealable judgment of a court of this state that has  
26 jurisdiction, upon receipt of written notice of final judgment. The  
27 bond may be continuous but, regardless of the duration of the bond,  
28 the aggregate liability of the surety does not exceed the penal sum of  
29 the bond.

30 2. If the penal sum of the bond is exhausted, the surety  
31 company shall notify the Secretary of State in writing within 30  
32 days after its exhaustion.

33 3. The surety bond must cover the period of the appointment of  
34 the notary public, except when a surety is released.

35 4. A surety on a bond filed pursuant to NRS 240.030 may be  
36 released after the surety gives 30 days' written notice to the  
37 Secretary of State and notary public, but the release does not  
38 discharge or otherwise affect a claim filed by a person for damage  
39 resulting from an act of the notary public which is alleged to have  
40 occurred while the bond was in effect.

41 5. The appointment of a notary public is suspended by  
42 operation of law when the notary public is no longer covered by a  
43 surety bond as required by this section and NRS 240.030 or the  
44 penal sum of the bond is exhausted. If the Secretary of State  
45 receives notice pursuant to subsection 4 that the bond will be



1 released or pursuant to subsection 2 that the penal sum of the bond  
2 is exhausted, the Secretary shall immediately notify the notary  
3 public in writing that his appointment will be suspended by  
4 operation of law until another surety bond is filed in the same  
5 manner and amount as the bond being terminated.

6 6. The Secretary of State may reinstate the appointment of a  
7 notary public whose appointment has been suspended pursuant to  
8 subsection 5, if the notary public, before his current term of  
9 appointment expires:

10 (a) Submits to the Secretary of State:

11 (1) An application for an amended certificate of appointment  
12 as a notary public; and

13 (2) A certificate issued by the clerk of the county in which  
14 the applicant resides or, if the applicant is a resident of an adjoining  
15 state, the county in this state in which the applicant maintains a  
16 place of business or is employed, which indicates that the applicant  
17 filed a new surety bond with the clerk.

18 (b) Pays to the Secretary of State a fee of ~~[\$10.]~~ **\$15.**

19 **Sec. 133.** NRS 240.036 is hereby amended to read as follows:

20 240.036 1. If, at any time during his appointment, a notary  
21 public changes his mailing address, county of residence or signature  
22 or, if he is a resident of an adjoining state, changes his place of  
23 business or employment, he shall submit to the Secretary of State a  
24 request for an amended certificate of appointment on a form  
25 provided by the Secretary of State. The request must:

26 (a) Include the new information;

27 (b) Be submitted within 30 days after making that change; and

28 (c) Be accompanied by a fee of ~~[\$10.]~~ **\$15.**

29 2. The Secretary of State may suspend the appointment of a  
30 notary public who fails to provide to the Secretary of State notice of  
31 a change in any of the information specified in subsection 1.

32 3. If a notary public changes his name during his appointment  
33 and he intends to use his new name in the performance of his  
34 notarial duties, he shall submit to the Secretary of State a request for  
35 an amended certificate of appointment on a form provided by the  
36 Secretary of State. The request must:

37 (a) Include his new name and signature and his address;

38 (b) Be submitted within 30 days after making the change; and

39 (c) Be accompanied by a fee of ~~[\$10.]~~ **\$15.**

40 4. Upon receipt of a request for an amended certificate of  
41 appointment and the appropriate fee, the Secretary of State shall  
42 issue an amended certificate of appointment.

43 5. When the notary public receives the amended certificate of  
44 appointment, he shall:





1 (a) Destroy his notary's stamp and obtain a new notary's stamp  
2 which includes the information on the amended certificate.

3 (b) Notify the surety company which issued his bond of the  
4 changes.

5 **Sec. 134.** NRS 240.045 is hereby amended to read as follows:

6 240.045 1. If the stamp of a notary public is lost, the notary  
7 public shall, within 10 days after the stamp is lost, submit to the  
8 Secretary of State a request for an amended certificate of  
9 appointment, on a form provided by the Secretary of State, and  
10 obtain a new stamp in accordance with NRS 240.036. The request  
11 must be accompanied by a fee of ~~[\$10.]~~ **\$15.**

12 2. If the stamp is destroyed, broken, damaged or otherwise  
13 rendered inoperable, the notary public shall immediately notify the  
14 Secretary of State of that fact and obtain a new stamp.

15 3. A person or governmental entity shall not make,  
16 manufacture or otherwise produce a notary's stamp unless the  
17 notary public presents his original or amended certificate of  
18 appointment or a certified copy of his original or amended  
19 certificate of appointment to that person or governmental entity.

20 **Sec. 135.** NRS 240.165 is hereby amended to read as follows:

21 240.165 1. A notarial act has the same effect under the law of  
22 this state as if performed by a notarial officer of this state if  
23 performed within the jurisdiction of and under authority of a foreign  
24 nation or its constituent units or a multinational or international  
25 organization by the following persons:

26 (a) A notary public;

27 (b) A judge, clerk or deputy clerk of a court of record; or

28 (c) A person authorized by the law of that jurisdiction to  
29 perform notarial acts.

30 2. An "apostille" in the form prescribed by the Hague  
31 Convention of October 5, 1961, conclusively establishes that the  
32 signature of the notarial officer is genuine and that the officer holds  
33 the indicated office. The Secretary of State shall, upon request and  
34 payment of a fee of ~~[\$20.]~~ **\$30,** issue an apostille to verify a  
35 signature of a notarial officer on a document that is kept in the  
36 records of the Secretary of State unless the document had not been  
37 notarized in accordance with the provisions of this chapter.

38 3. A certificate by an officer of the foreign service or consular  
39 officer of the United States stationed in the nation under the  
40 jurisdiction of which the notarial act was performed, or a certificate  
41 by an officer of the foreign service or consular officer of that nation  
42 stationed in the United States, conclusively establishes a matter  
43 relating to the authenticity or validity of the notarial act set forth in  
44 the certificate.



1 4. An official stamp or seal of the person performing the  
2 notarial act is prima facie evidence that the signature is genuine and  
3 that the person holds the indicated title.

4 5. An official stamp or seal of an officer listed in paragraph (a)  
5 or (b) of subsection 1 is prima facie evidence that a person with the  
6 indicated title has authority to perform notarial acts.

7 6. If the title of office and indication of authority to perform  
8 notarial acts appears either in a digest of foreign law or in a list  
9 customarily used as a source for that information, the authority of an  
10 officer with that title to perform notarial acts is conclusively  
11 established.

12 **Sec. 136.** NRS 240.270 is hereby amended to read as follows:

13 240.270 1. Each commissioned abstractor, before entering  
14 upon the acts authorized in NRS 240.240 to 240.330, inclusive, and  
15 at the time he receives his commission, shall:

16 (a) Pay to the Secretary of State the sum of ~~[\$10.]~~ **\$15.**

17 (b) Take the official oath as prescribed by law, which oath shall  
18 be endorsed on his commission.

19 (c) Enter into a bond to the State of Nevada in the sum of  
20 \$2,000, to be approved by the district judge of the county for which  
21 the commissioned abstractor may be appointed.

22 2. Each commissioned abstractor shall have his commission,  
23 together with the bond, recorded in the office of the clerk of the  
24 county for which he has been appointed.

25 **Sec. 137.** Chapter 244 of NRS is hereby amended by adding  
26 thereto a new section to read as follows:

27 **1. *There is hereby imposed a tax at a rate of 2 percent of the***  
28 ***gross receipts from the rental of transient lodging in each county***  
29 ***upon those persons in the business of providing lodging who are***  
30 ***required to pay the tax imposed pursuant to NRS 244.3352. This***  
31 ***tax is in addition to any other taxes imposed on the revenue from***  
32 ***the rental of transient lodging.***

33 **2. *The tax imposed pursuant to subsection 1 must be:***

34 ***(a) Collected and administered by the county in which the***  
35 ***transient lodging is located in the same manner as provided for***  
36 ***the tax imposed pursuant to NRS 244.3352.***

37 ***(b) Paid within the time set forth in the schedule of payment***  
38 ***adopted by that county for the tax imposed pursuant to***  
39 ***NRS 244.3352.***

40 **3. *The tax imposed pursuant to subsection 1 may be collected***  
41 ***from the paying guests and may be shown as an addition to the***  
42 ***charge for the rental of transient lodging. The person providing***  
43 ***the transient lodging is liable to the State for the payment of the***  
44 ***tax whether or not it is actually collected from the paying guest.***



1 *4. If the tax imposed pursuant to subsection 1 is not paid*  
2 *within the time set forth in the schedule for payment, the*  
3 *governmental entity collecting the tax shall charge and collect in*  
4 *addition to the tax:*

5 *(a) A penalty of not more than 10 percent of the amount due,*  
6 *exclusive of interest, or the administrative fee established by the*  
7 *board of county commissioners pursuant to NRS 244.3352,*  
8 *whichever is greater; and*

9 *(b) Interest on the amount due at the rate of not more than 1.5*  
10 *percent per month or fraction thereof from the date on which the*  
11 *tax became due until the date of payment.*

12 *5. The governmental entity collecting the tax imposed*  
13 *pursuant to subsection 1 shall deposit all proceeds of the tax and*  
14 *any applicable penalties and interest with the State Treasurer for*  
15 *credit to the State General Fund.*

16 *6. As used in this section "gross receipts from the rental of*  
17 *transient lodging" does not include the tax imposed and collected*  
18 *from paying guests pursuant to this section or NRS 244.3352 or*  
19 *268.096.*

20 **Sec. 138.** NRS 244.3357 is hereby amended to read as  
21 follows:

22 244.3357 On or before August 15 of each year, the board of  
23 county commissioners in each county shall submit a report to the  
24 Department of Taxation which states:

25 1. The rate of all taxes imposed on the revenues from the rental  
26 of transient lodging pursuant to NRS 244.335 and 244.3352 and any  
27 special act in the preceding fiscal year;

28 2. The total amount of revenue collected from all taxes  
29 imposed on the revenues from the rental of transient lodging  
30 pursuant to NRS 244.335 and 244.3352 and any special act in the  
31 preceding fiscal year; ~~and~~

32 3. *The total amount of revenue collected from the tax*  
33 *imposed on the revenues from the rental of transient lodging*  
34 *pursuant to section 137 of this act; and*

35 4. The manner in which the revenue *reported pursuant to*  
36 *subsection 2* was used in the previous fiscal year.

37 **Sec. 139.** NRS 244.3358 is hereby amended to read as  
38 follows:

39 244.3358 1. A county whose population is less than 100,000  
40 may by ordinance assign to a district created pursuant to chapter 318  
41 of NRS which has been granted the basic power of furnishing  
42 recreational facilities all or any portion of the proceeds of any tax on  
43 the revenues from the rental of transient lodging which is imposed  
44 by the county and collected within the boundaries of the district,  
45 except the tax imposed pursuant to NRS 244.3352 , ~~or~~ a tax



1 imposed pursuant to NRS 244.3351 ~~§~~ *or the tax imposed pursuant*  
2 *to section 137 of this act.*

3 2. The district may use the proceeds assigned pursuant to  
4 subsection 1 for any purpose authorized pursuant to NRS 318.143.

5 3. The district may, with the consent of the board of county  
6 commissioners or as otherwise provided in NRS 268.460,  
7 irrevocably pledge the proceeds assigned pursuant to subsection 1  
8 for:

9 (a) The repayment of any bonds or short-term or medium-term  
10 obligations issued pursuant to chapter 318 or 350 of NRS for any  
11 lawful purpose pertaining to the furnishing of recreational facilities;  
12 or

13 (b) The refinancing of any such bonds or obligations.  
14 The consent of the board of county commissioners must be given by  
15 resolution. If any proceeds are pledged pursuant to this subsection,  
16 the assignment of the proceeds may not be revoked until the bonds  
17 or short-term or medium-term obligations for which the proceeds  
18 were pledged have been completely repaid.

19 4. No assignment may be made pursuant to this section which  
20 is inconsistent with an assignment made or contract entered into for  
21 the purposes of NRS 244A.597 to 244A.655, inclusive.

22 5. A county which makes an assignment pursuant to this  
23 section may retain an amount equal to the reasonable cost of  
24 collecting the tax, which must not exceed 2 percent of the proceeds  
25 of the tax for any period of collection.

26 **Sec. 140.** NRS 244.3359 is hereby amended to read as  
27 follows:

28 244.3359 1. A county whose population is 400,000 or more  
29 shall not impose a new tax on the rental of transient lodging or  
30 increase the rate of an existing tax on the rental of transient lodging  
31 after March 25, 1991, except pursuant to NRS 244.3351 and  
32 244.3352 ~~§~~ *and section 137 of this act.*

33 2. A county whose population is 100,000 or more but less than  
34 400,000 shall not impose a new tax on the rental of transient lodging  
35 or increase the rate of an existing tax on the rental of transient  
36 lodging after March 25, 1991 ~~§~~, *except pursuant to section 137 of*  
37 *this act.*

38 3. The Legislature hereby declares that the limitation imposed  
39 by subsection 2 will not be repealed or amended except *as otherwise*  
40 *provided in section 137 of this act or* to allow the imposition of an  
41 increase in such a tax for the promotion of tourism or for the  
42 construction or operation of tourism facilities by a convention and  
43 visitors authority.



1     **Sec. 141.** NRS 244A.637 is hereby amended to read as  
2 follows:

3     244A.637 1. For the acquisition of any recreational facilities  
4 authorized in NRS 244A.597 to 244A.655, inclusive, the county fair  
5 and recreation board, at any time or from time to time may:

6     (a) In the name of and on behalf of the county, issue:

7         (1) General obligation bonds, payable from taxes; and

8         (2) General obligation bonds, payable from taxes, which  
9 payment is additionally secured by a pledge of gross or net revenues  
10 derived from the operation of such recreational facilities, and, if so  
11 determined by the board, further secured by a pledge of such other  
12 gross or net revenues as may be derived from any other income-  
13 producing project of the county or from any license or other excise  
14 taxes levied for revenue by the county, or otherwise, as may be  
15 legally made available for their payment;

16     (b) In the name of and on behalf of the county fair and  
17 recreation board, issue revenue bonds:

18         (1) Payable from the net revenues to be derived from the  
19 operation of such recreational facilities;

20         (2) Secured by a pledge of revenues from any tax on the  
21 rental of transient lodging levied for revenue by the county or a city  
22 ~~or~~, *other than revenues from the tax on the rental of transient*  
23 *lodging imposed pursuant to section 137 of this act;*

24         (3) Secured by any other revenue that may be legally made  
25 available for their payment; or

26         (4) Payable or secured by any combination of subparagraph  
27 (1), (2) or (3); and

28     (c) Make a contract with the United States of America, or any  
29 agency or instrumentality thereof, or any other person or agency,  
30 public or private, creating an indebtedness if a question authorizing  
31 such contract is submitted to and approved by a majority of the  
32 qualified electors of the county in the manner provided in NRS  
33 350.020 to 350.070, inclusive. This paragraph does not apply to  
34 contracts for the prepayment of rent or other similar obligations.

35     2. Revenue bonds issued pursuant to this section must be  
36 authorized by resolution of the county fair and recreation board, and  
37 no further approval by any person, board or commission is required.

38     **Sec. 142.** Chapter 268 of NRS is hereby amended by adding  
39 thereto a new section to read as follows:

40     1. *There is hereby imposed a tax at a rate of 2 percent of the*  
41 *gross receipts from the rental of transient lodging in each city*  
42 *upon those persons in the business of providing lodging who are*  
43 *required to pay the tax imposed pursuant to NRS 268.096. This tax*  
44 *is in addition to any other taxes imposed on the revenue from the*  
45 *rental of transient lodging.*



1       2. *The tax imposed pursuant to subsection 1 must be:*  
2       (a) *Collected and administered by the city in which the*  
3       *transient lodging is located in the same manner as provided for*  
4       *the tax imposed pursuant to NRS 268.096.*

5       (b) *Paid within the time set forth in the schedule of payment*  
6       *adopted by that city for the tax imposed pursuant to NRS 268.096.*

7       3. *The tax imposed pursuant to subsection 1 may be collected*  
8       *from the paying guests and may be shown as an addition to the*  
9       *charge for the rental of transient lodging. The person providing*  
10       *the transient lodging is liable to the State for the payment of the*  
11       *tax whether or not it is actually collected from the paying guest.*

12       4. *If the tax imposed pursuant to subsection 1 is not paid*  
13       *within the time set forth in the schedule for payment, the city shall*  
14       *charge and collect in addition to the tax:*

15       (a) *A penalty of not more than 10 percent of the amount due,*  
16       *exclusive of interest, or the administrative fee established by the*  
17       *governing body of the city pursuant to NRS 268.096, whichever is*  
18       *greater; and*

19       (b) *Interest on the amount due at the rate of not more than 1.5*  
20       *percent per month or fraction thereof from the date on which the*  
21       *tax became due until the date of payment.*

22       5. *The governmental entity collecting the tax imposed*  
23       *pursuant to subsection 1 shall deposit all proceeds of the tax and*  
24       *any applicable penalties and interest with the State Treasurer for*  
25       *credit to the State General Fund.*

26       6. *As used in this section "gross receipts from the rental of*  
27       *transient lodging" does not include the tax imposed and collected*  
28       *from paying guests pursuant to this section or NRS 244.3352 or*  
29       *268.096.*

30       **Sec. 143.** NRS 268.0966 is hereby amended to read as  
31       follows:

32       268.0966 On or before August 15 of each year, the governing  
33       body of each city shall submit a report to the Department of  
34       Taxation which states:

35       1. The rate of all taxes imposed on the revenues from the rental  
36       of transient lodging pursuant to NRS 268.095 and 268.096 and any  
37       special act in the preceding fiscal year;

38       2. The total amount of revenue collected from all taxes  
39       imposed on the revenues from the rental of transient lodging  
40       pursuant to NRS 268.095 and 268.096 and any special act in the  
41       preceding fiscal year; ~~and~~

42       3. *The total amount of revenue collected from the tax*  
43       *imposed on the revenues from the rental of transient lodging*  
44       *pursuant to section 142 of this act; and*



1 **4.** The manner in which the revenue *reported pursuant to*  
2 *subsection 2* was used in the previous fiscal year.

3 **Sec. 144.** NRS 268.0968 is hereby amended to read as  
4 follows:

5 268.0968 1. Except as otherwise provided in NRS 268.096  
6 and 268.801 to 268.808, inclusive, *and section 142 of this act*, a  
7 city located in a county whose population is 400,000 or more shall  
8 not impose a new tax on the rental of transient lodging or increase  
9 the rate of an existing tax on the rental of transient lodging after  
10 March 25, 1991.

11 2. Except as otherwise provided in NRS 268.7845 ~~§~~ *and*  
12 *section 142 of this act*, a city located in a county whose population  
13 is 100,000 or more but less than 400,000 shall not impose a new tax  
14 on the rental of transient lodging or increase the rate of an existing  
15 tax on the rental of transient lodging after March 25, 1991.

16 3. The Legislature hereby declares that the limitation imposed  
17 by subsection 2 will not be repealed or amended except *as otherwise*  
18 *provided in section 142 of this act or* to allow the imposition of an  
19 increase in such a tax for:

- 20 (a) The promotion of tourism;
- 21 (b) The construction or operation of tourism facilities by a  
22 convention and visitors authority; or
- 23 (c) The acquisition, establishment, construction or expansion of  
24 one or more railroad grade separation projects.

25 **Sec. 145.** Chapter 353 of NRS is hereby amended by adding  
26 thereto a new section to read as follows:

27 *“Account” means the Disaster Relief Account created pursuant*  
28 *to NRS 353.2735.*

29 **Sec. 146.** NRS 353.1465 is hereby amended to read as  
30 follows:

31 353.1465 1. *Except as otherwise provided in NRS 482.293,*  
32 *a state agency that annually receives revenue in an amount of*  
33 *\$1,000,000 or more shall establish a program that provides for:*

- 34 (a) *The payment of money owed to the agency by credit cards,*  
35 *debit cards or electronic transfers of money; and*
- 36 (b) *The electronic and telephonic filing of reports required by*  
37 *the agency in association with the payment of money owed to the*  
38 *agency.*

39 2. Upon approval of the State Board of Finance, a state agency  
40 may enter into contracts with issuers of credit cards or debit cards or  
41 operators of systems that provide for the electronic transfer of  
42 money to provide for the acceptance of credit cards, debit cards or  
43 electronic transfers of money by the agency:

- 44 (a) For the payment of money owed to the agency for taxes,  
45 interest, penalties or any other obligation; or



1 (b) In payment for goods or services.  
2 ~~[2.]~~ 3. Before a state agency may enter into a contract pursuant  
3 to subsection ~~[1.]~~ 2, the agency must submit the proposed contract to  
4 the State Treasurer for his review and transmittal to the State Board  
5 of Finance.  
6 ~~[3.]~~ 4. Except as otherwise provided in subsection ~~[4.]~~ 5, if the  
7 issuer or operator charges the state agency a fee for each use of a  
8 credit card or debit card or for each electronic transfer of money, the  
9 state agency may require the cardholder or the person requesting  
10 the electronic transfer of money to pay a fee, which must not exceed  
11 the amount charged to the state agency by the issuer or operator.  
12 ~~[4.]~~ 5. A state agency that is required to pay a fee charged by  
13 the issuer or operator for the use of a credit card or debit card or for  
14 an electronic transfer of money may, pursuant to NRS 353.148, file  
15 a claim with the Director of the Department of Administration for  
16 reimbursement of the fees paid to the issuer or operator during the  
17 immediately preceding quarter.  
18 ~~[5.]~~ 6. As used in this section:  
19 (a) "Cardholder" means the person or organization named on the  
20 face of a credit card or debit card to whom or for whose benefit the  
21 credit card or debit card is issued by an issuer.  
22 (b) "Credit card" means any instrument or device, whether  
23 known as a credit card or credit plate, or by any other name, issued  
24 with or without a fee by an issuer for the use of the cardholder in  
25 obtaining money, property, goods, services or anything else of value  
26 on credit.  
27 (c) "Debit card" means any instrument or device, whether  
28 known as a debit card or by any other name, issued with or without  
29 a fee by an issuer for the use of the cardholder in depositing,  
30 obtaining or transferring funds.  
31 (d) "Electronic transfer of money" has the meaning ascribed to it  
32 in NRS 463.01473.  
33 (e) "Issuer" means a business organization, financial institution  
34 or authorized agent of a business organization or financial institution  
35 that issues a credit card or debit card.  
36 **Sec. 147.** NRS 353.210 is hereby amended to read as follows:  
37 353.210 1. Except as otherwise provided in subsection 6, on  
38 or before September 1 of each even-numbered year, all departments,  
39 institutions and other agencies of the Executive Department of the  
40 State Government, and all agencies of the Executive Department of  
41 the State Government receiving state money, fees or other money  
42 under the authority of the State, including those operating on money  
43 designated for specific purposes by the *Nevada* Constitution or  
44 otherwise, shall prepare, on blanks furnished them by the Chief, and  
45 submit to the Chief ~~[estimates]~~ :





1       (a) *The number of positions within the department, institution*  
2 *or agency that have been vacant for at least 12 months, the*  
3 *number of months each such position has been vacant and the*  
4 *reasons for each such vacancy; and*

5       (b) *Estimates* of their expenditure requirements, together with  
6 all anticipated income from fees and all other sources, for the next 2  
7 fiscal years compared with the corresponding figures of the last  
8 completed fiscal year and the estimated figures for the current fiscal  
9 year.

10       2. The Chief shall direct that one copy of the forms submitted  
11 pursuant to subsection 1, accompanied by every supporting schedule  
12 and any other related material, be delivered directly to the Fiscal  
13 Analysis Division of the Legislative Counsel Bureau on or before  
14 September 1 of each even-numbered year.

15       3. The Budget Division of the Department of Administration  
16 shall give advance notice to the Fiscal Analysis Division of the  
17 Legislative Counsel Bureau of any conference between the Budget  
18 Division of the Department of Administration and personnel of  
19 other state agencies regarding budget estimates. A fiscal analyst of  
20 the Legislative Counsel Bureau or his designated representative may  
21 attend any such conference.

22       4. The estimates of expenditure requirements submitted  
23 pursuant to subsection 1 must be classified to set forth the data of  
24 funds, organizational units, and the character and objects of  
25 expenditures, and must include a mission statement and  
26 measurement indicators for each program. The organizational units  
27 may be subclassified by functions and activities, or in any other  
28 manner at the discretion of the Chief.

29       5. If any department, institution or other agency of the  
30 Executive Department of the State Government, whether its money  
31 is derived from state money or from other money collected under  
32 the authority of the State, fails or neglects to submit estimates of its  
33 expenditure requirements as provided in this section, the Chief may,  
34 from any data at hand in his office or which he may examine or  
35 obtain elsewhere, make and enter a proposed budget for the  
36 department, institution or agency in accordance with the data.

37       6. Agencies, bureaus, commissions and officers of the  
38 Legislative Department, the Public Employees' Retirement System  
39 and the Judicial Department of the State Government shall submit to  
40 the Chief for his information in preparing the proposed executive  
41 budget the budgets which they propose to submit to the Legislature.

42       **Sec. 148.** NRS 353.213 is hereby amended to read as follows:

43       353.213 1. In preparing the proposed budget for the  
44 Executive Department of the State Government for each biennium,  
45 the Chief shall not exceed the limit upon total proposed



1 expenditures for purposes other than construction from the State  
2 General Fund calculated pursuant to this section. The base for each  
3 biennium is the total expenditure, for the purposes limited, from the  
4 State General Fund appropriated and authorized by the Legislature  
5 for the ~~[biennium beginning on July 1, 1975.]~~ *immediately*  
6 *preceding biennium, minus any amount transferred from the State*  
7 *General Fund to any other fund during that biennium.*

8 2. The limit for each biennium is calculated as follows:

9 (a) The amount of expenditure constituting the base is  
10 multiplied by the percentage of change in population ~~[for]~~ *on July 1*  
11 *of the first fiscal year in* the current biennium from the population  
12 on ~~[July 1, 1974.]~~ *July 1 of the first fiscal year in the immediately*  
13 *preceding biennium,* and this product is added to or subtracted from  
14 the amount of expenditure constituting the base.

15 (b) The amount calculated pursuant to paragraph (a) is  
16 multiplied by the percentage of inflation or deflation, and this  
17 product is added to or subtracted from the amount calculated  
18 pursuant to paragraph (a).

19 (c) Subject to the limitations of this paragraph:

20 (1) If the amount resulting from the calculations pursuant to  
21 paragraphs (a) and (b) represents a net increase over the base  
22 biennium, the Chief may increase the proposed expenditure  
23 accordingly.

24 (2) If the amount represents a net decrease, the Chief shall  
25 decrease the proposed expenditure accordingly.

26 (3) If the amount is the same as in the base biennium, that  
27 amount is the limit of permissible proposed expenditure.

28 The proposed budget for each fiscal year of the biennium must  
29 provide for a reserve of not less than 5 percent nor more than ~~[10]~~  
30 *15* percent of the total of all proposed appropriations from the State  
31 General Fund for the operation of all departments, institutions and  
32 agencies of the State Government and authorized expenditures from  
33 the State General Fund for the regulation of gaming for that fiscal  
34 year.

35 3. The ~~[revised estimate of]~~ population for the State ~~[issued by~~  
36 ~~the United States Department of Commerce as of July 1, 1974, must~~  
37 ~~be used, and]~~ *certified by* the Governor ~~[shall certify]~~ *pursuant to*  
38 *NRS 360.285 must be used to calculate* the percentage of increase  
39 or decrease in population for each ~~[succeeding biennium.]~~ *biennium*  
40 *pursuant to paragraph (a) of subsection 2.* The Consumer Price  
41 Index published by the United States Department of Labor for July  
42 preceding each biennium must be used in determining the  
43 percentage of inflation or deflation ~~[ ]~~ *pursuant to paragraph (b) of*  
44 *subsection 2.*



1 4. The Chief may exceed the limit to the extent necessary to  
2 meet situations in which there is a threat to life or property.

3 **Sec. 149.** NRS 353.2705 is hereby amended to read as  
4 follows:

5 353.2705 As used in NRS 353.2705 to 353.2771, inclusive,  
6 *and section 145 of this act*, unless the context otherwise requires,  
7 the words and terms defined in NRS 353.271 to 353.2731, inclusive,  
8 *and section 145 of this act* have the meanings ascribed to them in  
9 those sections.

10 **Sec. 150.** NRS 353.2735 is hereby amended to read as  
11 follows:

12 353.2735 1. The Disaster Relief ~~[Fund]~~ *Account* is hereby  
13 created as a special ~~[revenue-fund.]~~ *Account in the Fund to*  
14 *Stabilize the Operation of the State Government*. The Interim  
15 Finance Committee shall administer the ~~[Fund.]~~ *Account*.

16 2. The Division may accept grants, gifts or donations for  
17 deposit in the ~~[Fund.]~~ *Account*. Except as otherwise provided in  
18 subsection 3, money received from:

19 (a) A direct legislative appropriation to the ~~[Fund.]~~ *Account*;

20 (b) A transfer of ~~[one-half of the interest earned on money]~~ *not*  
21 *more than 10 percent of the aggregate balance* in the Fund to  
22 *Stabilize the Operation of the State Government* made pursuant to  
23 NRS 353.288; and

24 (c) A grant, gift or donation to the ~~[Fund.]~~ *Account*,  
25 must be deposited in the ~~[Fund.]~~ *Account*. Except as otherwise  
26 provided in NRS 414.135, the interest and income earned on the  
27 money in the ~~[Fund.]~~ *Account* must, after deducting any applicable  
28 charges, be credited to the ~~[Fund.]~~ *Account*.

29 3. If, at the end of each quarter of a fiscal year, the balance in  
30 the ~~[Fund]~~ *Account* exceeds 0.75 percent of the total amount of all  
31 appropriations from the State General Fund for the operation of all  
32 departments, institutions and agencies of State Government and  
33 authorized expenditures from the State General Fund for the  
34 regulation of gaming for that fiscal year, the State Controller shall  
35 not, until the balance in the ~~[Fund]~~ *Account* is 0.75 percent or less  
36 of that amount, transfer any ~~[interest earned on]~~ money in the Fund  
37 to *Stabilize the Operation of the State Government* from the State  
38 General Fund to the ~~[Fund]~~ *Account* pursuant to the provisions of  
39 NRS 353.288.

40 4. Money in the ~~[Fund]~~ *Account* may be distributed through  
41 grants and loans to state agencies and local governments as provided  
42 in NRS 353.2705 to 353.2771, inclusive ~~[,]~~, *and section 145 of this*  
43 *act*. Except as otherwise provided in NRS 353.276, such grants will  
44 be disbursed on the basis of reimbursement of costs authorized  
45 pursuant to NRS 353.274 and 353.2745.



1 5. If the Governor declares a disaster, the State Board of  
2 Examiners shall estimate:

3 (a) The money in the ~~Fund~~ *Account* that is available for grants  
4 and loans for the disaster pursuant to the provisions of NRS  
5 353.2705 to 353.2771, inclusive; and

6 (b) The anticipated amount of those grants and loans for the  
7 disaster.

8 Except as otherwise provided in this subsection, if the anticipated  
9 amount determined pursuant to paragraph (b) exceeds the available  
10 money in the ~~Fund~~ *Account* for such grants and loans, all grants  
11 and loans from the ~~Fund~~ *Account* for the disaster must be reduced  
12 in the same proportion that the anticipated amount of the grants and  
13 loans exceeds the money in the ~~Fund~~ *Account* that is available for  
14 grants and loans for the disaster. If the reduction of a grant or loan  
15 from the ~~Fund~~ *Account* would result in a reduction in the amount  
16 of money that may be received by a state agency or local  
17 government from the Federal Government, the reduction in the grant  
18 or loan must not be made.

19 **Sec. 151.** NRS 353.274 is hereby amended to read as follows:

20 353.274 Money in the ~~Fund~~ *Account* may be distributed as a  
21 grant to a state agency because of a disaster for the payment of  
22 expenses incurred by the state agency for:

23 1. The repair or replacement of public roads, public streets,  
24 bridges, water control facilities, public buildings, public utilities,  
25 recreational facilities and parks owned by the State and damaged by  
26 the disaster;

27 2. Any emergency measures undertaken to save lives, protect  
28 public health and safety or protect public property, including,  
29 without limitation, an emergency measure undertaken in response to  
30 a crisis involving violence on school property, at a school activity or  
31 on a school bus, in the jurisdiction in which the disaster occurred;

32 3. The removal of debris from publicly or privately owned land  
33 and waterways undertaken because of the disaster; and

34 4. The administration of a disaster assistance program.

35 **Sec. 152.** NRS 353.2745 is hereby amended to read as  
36 follows:

37 353.2745 Money in the ~~Fund~~ *Account* may be distributed as  
38 a grant to a local government because of a disaster for:

39 1. The payment of not more than 50 percent of the expenses  
40 incurred by the local government for:

41 (a) The repair or replacement of public roads, public streets,  
42 bridges, water control facilities, public buildings, public utilities,  
43 recreational facilities and parks owned by the local government and  
44 damaged by the disaster; and



1 (b) Any emergency measures undertaken to save lives, protect  
2 public health and safety or protect public property, including,  
3 without limitation, an emergency measure undertaken in response to  
4 a crisis involving violence on school property, at a school activity or  
5 on a school bus, in the jurisdiction in which the disaster occurred;  
6 and

7 2. The payment of not more than 50 percent of any grant match  
8 the local government must provide to obtain a grant from a federal  
9 disaster assistance agency for an eligible project to repair damage  
10 caused by the disaster within the jurisdiction of the local  
11 government.

12 **Sec. 153.** NRS 353.2751 is hereby amended to read as  
13 follows:

14 353.2751 Money in the ~~Fund~~ *Account* may be distributed as  
15 a loan to a local government because of a disaster for:

16 1. The payment of expenses incurred by the local government  
17 for:

18 (a) The repair or replacement of public roads, public streets,  
19 bridges, water control facilities, public buildings, public utilities,  
20 recreational facilities and parks owned by the local government and  
21 damaged by the disaster;

22 (b) Any overtime worked by an employee of the local  
23 government because of the disaster or any other extraordinary  
24 expenses incurred by the local government because of the disaster;  
25 and

26 (c) Any projects to reduce or prevent the possibility of damage  
27 to persons or property from similar disasters in the future; and

28 2. The payment of not more than 50 percent of any grant match  
29 the local government must provide to obtain a grant from a federal  
30 disaster assistance agency for an eligible project to repair damage  
31 caused by the disaster within the jurisdiction of the local  
32 government. Before a loan may be distributed to a local government  
33 pursuant to this subsection:

34 (a) The Interim Finance Committee must make a determination  
35 that the local government is currently unable to meet its financial  
36 obligations; and

37 (b) The local government must execute a loan agreement in  
38 which the local government agrees to:

39 (1) Use the money only for the purpose of paying the grant  
40 match; and

41 (2) Repay the entire amount of the loan, without any interest  
42 or other charges, to the Disaster Relief ~~Fund~~ *Account* not later  
43 than 10 years after the date on which the agreement is executed.



1     **Sec. 154.** NRS 353.2753 is hereby amended to read as  
2 follows:

3     353.2753 1. A state agency or local government may request  
4 the Division to conduct a preliminary assessment of the damages  
5 related to an event for which the state agency or local government  
6 seeks a grant or loan from the ~~Fund~~ *Account*.

7     2. Upon receipt of such a request, the Division shall investigate  
8 the event or cause the event to be investigated to make a preliminary  
9 assessment of the damages related to the event and shall make or  
10 cause to be made a written report of the damages related to the  
11 event.

12     3. As soon as practicable after completion of the investigation  
13 and preparation of the report of damages, the Division shall:

14     (a) Determine whether the event constitutes a disaster for which  
15 the state agency or local government may seek a grant or loan from  
16 the ~~Fund~~ *Account*; and

17     (b) Submit the report prepared pursuant to this section and its  
18 written determination regarding whether the event constitutes a  
19 disaster to the state agency or local government.

20     4. The Division shall prescribe by regulation the information  
21 that must be included in a report of damages, including, without  
22 limitation, a description of the damage caused by the event, an  
23 estimate of the costs to repair such damage and a specification of  
24 whether the purpose of the project is for repair or replacement,  
25 emergency response or mitigation.

26     **Sec. 155.** NRS 353.2754 is hereby amended to read as  
27 follows:

28     353.2754 A local government may request a grant or loan from  
29 the ~~Fund~~ *Account* if:

30     1. Pursuant to NRS 414.090, the governing body of the local  
31 government determines that an event which has occurred constitutes  
32 a disaster; and

33     2. After the Division conducts a preliminary assessment of the  
34 damages pursuant to NRS 353.2753, the Division determines that an  
35 event has occurred that constitutes a disaster.

36     **Sec. 156.** NRS 353.2755 is hereby amended to read as  
37 follows:

38     353.2755 1. A state agency or local government may submit  
39 a request to the State Board of Examiners for a grant or loan from  
40 the ~~Fund~~ *Account* as provided in NRS 353.2705 to 353.2771,  
41 inclusive, *and section 145 of this act*, if:

42     (a) The agency or local government finds that, because of a  
43 disaster, it is unable to pay for an expense or grant match specified  
44 in NRS 353.274, 353.2745 or 353.2751 from money appropriated or  
45 otherwise available to the agency or local government;



1 (b) The request has been approved by the chief administrative  
2 officer of the state agency or the governing body of the local  
3 government; and

4 (c) If the requester is an incorporated city, the city has requested  
5 financial assistance from the county and was denied all or a portion  
6 of the requested assistance.

7 2. A request for a grant or loan submitted pursuant to  
8 subsection 1 must be made within 60 days after the disaster and  
9 must include:

10 (a) A statement setting forth the amount of money requested by  
11 the state agency or local government;

12 (b) An assessment of the need of the state agency or local  
13 government for the money requested;

14 (c) If the request is submitted by a local government that has  
15 established a fund pursuant to NRS 354.6115 to mitigate the effects  
16 of a natural disaster, a statement of the amount of money that is  
17 available in that fund, if any, for the payment of expenses incurred  
18 by the local government as a result of a disaster;

19 (d) A determination of the type, value and amount of resources  
20 the state agency or local government may be required to provide as  
21 a condition for the receipt of a grant or loan from the ~~{Fund;}~~  
22 *Account;*

23 (e) A written report of damages prepared by the Division and the  
24 written determination made by the Division that the event  
25 constitutes a disaster pursuant to NRS 353.2753; and

26 (f) If the requester is an incorporated city, all documents which  
27 relate to a request for assistance submitted to the board of county  
28 commissioners of the county in which the city is located.

29 Any additional documentation relating to the request that is  
30 requested by the State Board of Examiners must be submitted within  
31 6 months after the disaster unless the State Board of Examiners and  
32 the Interim Finance Committee ~~{grants}~~ *grant* an extension.

33 3. Upon the receipt of a complete request for a grant or loan  
34 submitted pursuant to subsection 1, the State Board of Examiners:

35 (a) Shall consider the request; and

36 (b) May require any additional information that it determines is  
37 necessary to make a recommendation.

38 4. If the State Board of Examiners finds that a grant or loan is  
39 appropriate, it shall include in its recommendation to the Interim  
40 Finance Committee the proposed amount of the grant or loan. If the  
41 State Board of Examiners recommends a grant, it shall include a  
42 recommendation regarding whether or not the state agency or local  
43 government requires an advance to avoid severe financial hardship.  
44 If the State Board of Examiners recommends a loan for a local  
45 government, it shall include the information required pursuant to



1 subsection 1 of NRS 353.2765. If the State Board of Examiners  
2 finds that a grant or loan is not appropriate, it shall include in its  
3 recommendation the reason for its determination.

4 5. The provisions of this section do not prohibit a state agency  
5 or local government from submitting more than one request for a  
6 grant or loan from the ~~Fund~~ *Account*.

7 6. As used in this section, the term "natural disaster" has the  
8 meaning ascribed to it in NRS 354.6115.

9 **Sec. 157.** NRS 353.276 is hereby amended to read as follows:

10 353.276 1. The State Board of Examiners shall submit a  
11 recommendation for each request for a grant or loan made pursuant  
12 to NRS 353.2755 to the Director of the Legislative Counsel Bureau.  
13 Upon receipt of the recommendation, the Director shall notify the  
14 Chairman of the Interim Finance Committee of that  
15 recommendation. The Chairman shall call a meeting of the  
16 Committee to consider the recommendation.

17 2. The Interim Finance Committee may reject any  
18 recommendation of the State Board of Examiners and independently  
19 evaluate and act upon any request submitted pursuant to  
20 NRS 353.2755.

21 3. If the Interim Finance Committee finds that a grant or loan  
22 from the ~~Fund~~ *Account* is appropriate and may be made in  
23 accordance with the provisions of NRS 353.2705 to 353.2771,  
24 inclusive, *and section 145 of this act*, it shall, by resolution:

- 25 (a) Establish the amount and purpose of the grant or loan.  
26 (b) Except as otherwise provided in this paragraph, provide for  
27 the transfer of that amount from the ~~Fund~~ *Account* to the  
28 appropriate state agency or local government. If the request is for a  
29 grant, the Interim Finance Committee shall authorize disbursement  
30 of the grant from the ~~Fund~~ *Account* on the basis of reimbursement  
31 for costs unless it determines that disbursement in that manner  
32 would cause severe financial hardship to the state agency or local  
33 government. If the Interim Finance Committee determines that  
34 disbursement on the basis of reimbursement of costs would cause  
35 severe financial hardship, the Interim Finance Committee may  
36 authorize an advance of money to the state agency or local  
37 government in an amount not to exceed 25 percent of the total  
38 estimated cost of the projects for which the grant is requested.

39 4. No grant or loan from the ~~Fund~~ *Account* may be made by  
40 the Interim Finance Committee to increase the salaries of any  
41 officers or employees of the State or a local government.

42 **Sec. 158.** NRS 353.2765 is hereby amended to read as  
43 follows:

44 353.2765 1. In addition to any applicable requirements set  
45 forth in NRS 353.2751, if the Interim Finance Committee approves





1 a loan to a local government pursuant to the provisions of NRS  
2 353.2705 to 353.2771, inclusive, *and section 145 of this act*, the  
3 approval must include a schedule for the repayment of the loan. The  
4 schedule must specify:

5 (a) A period of not more than 10 years for the repayment of the  
6 loan; and

7 (b) The rate of interest, if any, for the loan.

8 2. Except as otherwise provided in subsection 3, if a local  
9 government receives a loan from the ~~Fund~~ *Account* and, before the  
10 loan is repaid, the local government receives money from the  
11 Federal Government for a grant match or any of the expenses set  
12 forth in subsection 1 of NRS 353.2751 for which the local  
13 government received the loan, the local government shall deposit  
14 with the State Treasurer for credit to the ~~Fund~~ *Account* an amount  
15 of money equal to the money it received from the Federal  
16 Government for the grant match or the expenses.

17 3. Any money deposited with the State Treasurer for credit to  
18 the ~~Fund~~ *Account* pursuant to subsection 2 must be used to pay the  
19 unpaid balance of the loan specified in subsection 2. If any money  
20 remains after that payment is made, the remaining money must be  
21 paid to the local government to whom the loan was made.

22 **Sec. 159.** NRS 353.2771 is hereby amended to read as  
23 follows:

24 353.2771 1. Except as otherwise provided in this section, no  
25 grant or loan may be made from the ~~Fund~~ *Account* to a state  
26 agency or local government unless, as a condition of making the  
27 grant or loan, the state agency or local government agrees to provide  
28 an amount of its resources equal to at least 25 percent of the grant or  
29 loan. The State Board of Examiners shall determine the type, value  
30 and amount of the resources, including money, labor, materials,  
31 supplies and equipment, that is required to be provided by the state  
32 agency or local government.

33 2. If a state agency or local government submits a request for a  
34 grant or loan pursuant to NRS 353.2755 and:

35 (a) It maintains a policy of insurance providing coverage for  
36 damages, injuries or other losses incurred because of a disaster; or

37 (b) If the request is submitted by a local government, it has  
38 established a district for the control of floods pursuant to NRS  
39 543.170 to 543.830, inclusive,

40 the State Board of Examiners may recommend that the state agency  
41 or local government provide a portion of its resources in an amount  
42 that is less than the amount required pursuant to subsection 1.

43 3. The State Board of Examiners may, if it determines that the  
44 state agency or local government is unable to provide any portion of  
45 its resources as its contribution for the receipt of a grant or loan,



1 recommend that the state agency or local government not be  
2 required to provide any portion of its resources as a condition for the  
3 receipt of the grant or loan.

4 **Sec. 160.** NRS 353.288 is hereby amended to read as follows:

5 353.288 1. The Fund to Stabilize the Operation of the State  
6 Government is hereby created as a special revenue fund. Except as  
7 otherwise provided in subsections 2 and 3, each year after the close  
8 of the fiscal year and before the issuance of the *State* Controller's  
9 annual report, the State Controller shall deposit to the credit of the  
10 Fund 40 percent of the unrestricted balance of the State General  
11 Fund, as of the close of the fiscal year, which remains after  
12 subtracting an amount equal to ~~40~~ *15* percent of all appropriations  
13 made from the State General Fund during that year for the operation  
14 of all departments, institutions and agencies of State Government  
15 and for the funding of schools.

16 2. The balance in the Fund must not exceed ~~40~~ *15* percent of  
17 the total of all appropriations from the State General Fund for the  
18 operation of all departments, institutions and agencies of the State  
19 Government and for the funding of schools and authorized  
20 expenditures from the State General Fund for the regulation of  
21 gaming for the fiscal year in which that revenue will be deposited in  
22 the Fund.

23 3. Except as otherwise provided in this subsection and NRS  
24 353.2735, beginning with the fiscal year that begins on July 1,  
25 ~~1999~~ *2003*, the State Controller shall, at the end of each quarter of  
26 a fiscal year, transfer from the State General Fund to the Disaster  
27 Relief ~~Fund~~ *Account* created pursuant to NRS 353.2735 an  
28 amount equal to ~~one-half of the interest earned on money~~ *not more*  
29 *than 10 percent of the aggregate balance* in the Fund to Stabilize  
30 the Operation of *the* State Government during the previous quarter.  
31 The State Controller shall not transfer more than \$500,000 for any  
32 quarter pursuant to this subsection.

33 4. Money from the Fund to Stabilize the Operation of the State  
34 Government may be appropriated only:

35 (a) If the total actual revenue of the State falls short by 5 percent  
36 or more of the total anticipated revenue for the biennium in which  
37 the appropriation is made; or

38 (b) If the Legislature and the Governor declare that a fiscal  
39 emergency exists.

40 **Sec. 161.** NRS 353C.195 is hereby amended to read as  
41 follows:

42 353C.195 1. The State Controller ~~may, if requested by any~~  
43 ~~state agency,~~ *shall* act as the collection agent for ~~that agency.~~

44 ~~2. If the State Controller acts as the collection agent for an~~  
45 ~~agency, the agency may~~ *an agency to whom a debt is owed.*



1       **2. The agency shall** coordinate all its debt collection efforts  
2 through the State Controller.  
3       **Sec. 162.** NRS 414.135 is hereby amended to read as follows:  
4       414.135 1. There is hereby created the Emergency Assistance  
5 ~~[Account]~~ **Subaccount** within the Disaster Relief ~~[Fund]~~ **Account**  
6 created pursuant to NRS 353.2735. Beginning with the fiscal year  
7 that begins on July 1, 1999, the State Controller shall, at the end of  
8 each fiscal year, transfer the interest earned during the previous  
9 fiscal year on the money in the Disaster Relief ~~[Fund]~~ **Account** to  
10 the ~~[Account]~~ **Subaccount** in an amount not to exceed \$500,000.  
11       2. The Division of Emergency Management of the Department  
12 of Public Safety shall administer the ~~[Account.]~~ **Subaccount.** The  
13 Division may adopt regulations authorized by this section before, on  
14 or after July 1, 1999.  
15       3. All expenditures from the ~~[Account]~~ **Subaccount** must be  
16 approved in advance by the Division. Except as otherwise provided  
17 in subsection 4, all money in the ~~[Account]~~ **Subaccount** must be  
18 expended solely to:  
19       (a) Provide supplemental emergency assistance to this state or to  
20 local governments in this state that are severely and adversely  
21 affected by a natural, technological or man-made emergency or  
22 disaster for which available resources of this state or the local  
23 government are inadequate to provide a satisfactory remedy; and  
24       (b) Pay any actual expenses incurred by the Division for  
25 administration during a natural, technological or man-made  
26 emergency or disaster.  
27       4. Beginning with the fiscal year that begins on July 1, 1999, if  
28 any balance remains in the ~~[Account]~~ **Subaccount** at the end of a  
29 fiscal year and the balance has not otherwise been committed for  
30 expenditure, the Division may, with the approval of the Interim  
31 Finance Committee, allocate all or any portion of the remaining  
32 balance, not to exceed \$250,000, to this state or to a local  
33 government to:  
34       (a) Purchase equipment or supplies required for emergency  
35 management;  
36       (b) Provide training to personnel related to emergency  
37 management; and  
38       (c) Carry out the provisions of NRS 392.600 to 392.656,  
39 inclusive.  
40       5. Beginning with the fiscal year that begins on July 1, 1999,  
41 the Division shall, at the end of each quarter of a fiscal year, submit  
42 to the Interim Finance Committee a report of the expenditures made  
43 from the ~~[Account]~~ **Subaccount** for the previous quarter.  
44       6. The Division shall adopt such regulations as are necessary to  
45 administer the ~~[Account.]~~ **Subaccount.**



1 7. The Division may adopt regulations to provide for  
2 reimbursement of expenditures made from the ~~{Account,}~~  
3 *Subaccount*. If the Division requires such reimbursement, the  
4 Attorney General shall take such action as is necessary to recover  
5 the amount of any unpaid reimbursement plus interest at a rate  
6 determined pursuant to NRS 17.130, computed from the date on  
7 which the money was removed from the ~~{Fund,}~~ *Account*, upon  
8 request by the Division.

9 **Sec. 163.** Chapter 463 of NRS is hereby amended by adding  
10 thereto a new section to read as follows:

11 *It is the intent of the Legislature that the license fees required*  
12 *to be paid pursuant to the provisions of NRS 463.370 and 463.373*  
13 *must not be increased for a period of at least 10 years after July 1,*  
14 *2003.*

15 **Sec. 164.** NRS 463.370 is hereby amended to read as follows:

16 463.370 1. Except as otherwise provided in NRS 463.373,  
17 the Commission shall charge and collect from each licensee a  
18 license fee based upon all the gross revenue of the licensee as  
19 follows:

20 (a) Three percent of all the gross revenue of the licensee which  
21 does not exceed \$50,000 per calendar month;

22 (b) Four percent of all the gross revenue of the licensee which  
23 exceeds \$50,000 per calendar month and does not exceed \$134,000  
24 per calendar month; ~~{and}~~

25 (c) Six and one-quarter percent of all the gross revenue of the  
26 licensee which exceeds \$134,000 per calendar month ~~{}~~ *and does*  
27 *not exceed \$250,000 per calendar month; and*

28 *(d) Six and three-quarters percent of all the gross revenue of*  
29 *the licensee which exceeds \$250,000 per calendar month.*

30 2. Unless the licensee has been operating for less than a full  
31 calendar month, the Commission shall charge and collect the fee  
32 prescribed in subsection 1, based upon the gross revenue for the  
33 preceding calendar month, on or before the 24th day of the  
34 following month. Except for the fee based on the first full month of  
35 operation, the fee is an estimated payment of the license fee for the  
36 third month following the month whose gross revenue is used as its  
37 basis.

38 3. When a licensee has been operating for less than a full  
39 calendar month, the Commission shall charge and collect the fee  
40 prescribed in subsection 1, based on the gross revenue received  
41 during that month, on or before the 24th day of the following  
42 calendar month of operation. After the first full calendar month of  
43 operation, the Commission shall charge and collect the fee based on  
44 the gross revenue received during that month, on or before the 24th  
45 day of the following calendar month. The payment of the fee due for



1 the first full calendar month of operation must be accompanied by  
2 the payment of a fee equal to three times the fee for the first full  
3 calendar month. This additional amount is an estimated payment of  
4 the license fees for the next 3 calendar months. Thereafter, each  
5 license fee must be paid in the manner described in subsection 2.  
6 Any deposit held by the Commission on July 1, 1969, must be  
7 treated as an advance estimated payment.

8 4. All revenue received from any game or gaming device  
9 which is operated on the premises of a licensee, regardless of  
10 whether any portion of the revenue is shared with any other person,  
11 must be attributed to the licensee for the purposes of this section and  
12 counted as part of the gross revenue of the licensee. Any other  
13 person, including, without limitation, an operator of an inter-casino  
14 linked system, who is authorized to receive a share of the revenue  
15 from any game, gaming device or inter-casino linked system that is  
16 operated on the premises of a licensee is liable to the licensee for  
17 that person's proportionate share of the license fees paid by the  
18 licensee pursuant to this section and shall remit or credit the full  
19 proportionate share to the licensee on or before the 24th day of each  
20 calendar month. The proportionate share of an operator of an inter-  
21 casino linked system must be based on all compensation and other  
22 consideration received by the operator of the inter-casino linked  
23 system, including, without limitation, amounts that accrue to the  
24 meter of the primary progressive jackpot of the inter-casino linked  
25 system and amounts that fund the reserves of such a jackpot, subject  
26 to all appropriate adjustments for deductions, credits, offsets and  
27 exclusions that the licensee is entitled to take or receive pursuant to  
28 the provisions of this chapter. A licensee is not liable to any other  
29 person authorized to receive a share of the licensee's revenue from  
30 any game, gaming device or inter-casino linked system that is  
31 operated on the premises of the licensee for that person's  
32 proportionate share of the license fees to be remitted or credited to  
33 the licensee by that person pursuant to this section.

34 5. An operator of an inter-casino linked system shall not enter  
35 into any agreement or arrangement with a licensee that provides for  
36 the operator of the inter-casino linked system to be liable to the  
37 licensee for less than its full proportionate share of the license fees  
38 paid by the licensee pursuant to this section, whether accomplished  
39 through a rebate, refund, charge-back or otherwise.

40 6. Any person required to pay a fee pursuant to this section  
41 shall file with the Commission, on or before the 24th day of each  
42 calendar month, a report showing the amount of all gross revenue  
43 received during the preceding calendar month. Each report must be  
44 accompanied by:



\* S B 3 8 2 \*

1 (a) The fee due based on the revenue of the month covered by  
2 the report; and

3 (b) An adjustment for the difference between the estimated fee  
4 previously paid for the month covered by the report, if any, and  
5 the fee due for the actual gross revenue earned in that month. If the  
6 adjustment is less than zero, a credit must be applied to the  
7 estimated fee due with that report.

8 7. If the amount of license fees required to be reported and paid  
9 pursuant to this section is later determined to be greater or less than  
10 the amount actually reported and paid, the Commission shall:

11 (a) Charge and collect the additional license fees determined to  
12 be due, with interest thereon until paid; or

13 (b) Refund any overpayment to the person entitled thereto  
14 pursuant to this chapter, with interest thereon.

15 Interest pursuant to paragraph (a) must be computed at the rate  
16 prescribed in NRS 17.130 from the first day of the first month  
17 following the due date of the additional license fees until paid.

18 Interest pursuant to paragraph (b) must be computed at one-half the  
19 rate prescribed in NRS 17.130 from the first day of the first month  
20 following the date of overpayment until paid.

21 8. Failure to pay the fees provided for in this section shall be  
22 deemed a surrender of the license at the expiration of the period for  
23 which the estimated payment of fees has been made, as established  
24 in subsection 2.

25 9. Except as otherwise provided in NRS 463.386, the amount  
26 of the fee prescribed in subsection 1 must not be prorated.

27 10. Except as otherwise provided in NRS 463.386, if a licensee  
28 ceases operation, the Commission shall:

29 (a) Charge and collect the additional license fees determined to  
30 be due with interest computed pursuant to paragraph (a) of  
31 subsection 7; or

32 (b) Refund any overpayment to the licensee with interest  
33 computed pursuant to paragraph (b) of subsection 7,  
34 based upon the gross revenue of the licensee during the last 3  
35 months immediately preceding the cessation of operation, or  
36 portions of those last 3 months.

37 11. If in any month ~~§~~ the amount of gross revenue is less than  
38 zero, the licensee may offset the loss against gross revenue in  
39 succeeding months until the loss has been fully offset.

40 12. If in any month ~~§~~ the amount of the license fee due is less  
41 than zero, the licensee is entitled to receive a credit against any  
42 license fees due in succeeding months until the credit has been fully  
43 offset.



1       **Sec. 165.** NRS 463.373 is hereby amended to read as follows:  
2       463.373 1. Before issuing a state gaming license to an  
3       applicant for a restricted operation, the commission shall charge and  
4       collect from him for each slot machine for each quarter year:

5       (a) A license fee of ~~[\$64]~~ **\$80** for each slot machine if he will  
6       have at least one but not more than five slot machines.

7       (b) A license fee of ~~[\$305 plus \$106]~~ **\$412 plus \$143** for each  
8       slot machine in excess of five if he will have at least six but not  
9       more than 15 slot machines.

10      2. The commission shall charge and collect the fee prescribed  
11      in subsection 1:

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

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

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

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

23      **Sec. 166.** NRS 597.800 is hereby amended to read as follows:

24      597.800 1. The right of publicity established by NRS  
25      597.790 is freely transferable, in whole or in part, by contract,  
26      license, gift, conveyance, assignment, devise or testamentary trust  
27      by a person or his successor in interest.

28      2. If a deceased person has not transferred his rights as  
29      provided by subsection 1, and he has no surviving beneficiary or  
30      successor in interest upon his death, the commercial use of his  
31      name, voice, signature, photograph or likeness does not require  
32      consent.

33      3. A successor in interest or a licensee of a deceased person  
34      may file in the Office of the Secretary of State, on a form prescribed  
35      by the Secretary of State and upon the payment of a filing fee of  
36      ~~[\$25,]~~ **\$40**, a verified application for registration of his claim. The  
37      application must include:

38      (a) The legal and professional name of the deceased person;

39      (b) The date of death of the deceased person;

40      (c) The name and address of the claimant;

41      (d) The basis of the claim; and

42      (e) A description of the rights claimed.

43      4. A successor in interest or a licensee of a deceased person  
44      may not assert any right against any unauthorized commercial use of  
45      the deceased person's name, voice, signature, photograph or



1 likeness that begins before the filing of an application to register his  
2 claim.

3 5. A person, firm or corporation seeking to use the name,  
4 voice, signature, photograph or likeness of a deceased person for  
5 commercial purposes must first make a reasonable effort, in good  
6 faith, to discover the identity of any person who qualifies as a  
7 successor in interest to the deceased person. A person claiming to be  
8 a successor in interest to a deceased person must, within 6 months  
9 after the date he becomes aware or should reasonably have become  
10 aware of an unauthorized commercial use of the deceased person's  
11 name, voice, signature, photograph or likeness, register a claim with  
12 the Secretary of State pursuant to subsection 3. Failure to register  
13 shall be deemed a waiver of any right of publicity.

14 6. The Secretary of State may microfilm or reproduce by other  
15 techniques any document filed pursuant to this section and thereafter  
16 destroy the original of the document. The microfilm or other  
17 reproduction is admissible in any court of record. The Secretary of  
18 State may destroy the microfilm or other reproduction 50 years after  
19 the death of the person whose identity is the subject of the claim.

20 7. A claim registered pursuant to this section is a public record.

21 **Sec. 167.** NRS 599B.210 is hereby amended to read as  
22 follows:

23 599B.210 1. Every registrant, other than a registrant  
24 incorporated in this state, shall file with the Secretary of State an  
25 irrevocable consent appointing the Secretary of State as his agent to  
26 receive service of any lawful process in any action or proceeding  
27 against him arising pursuant to this chapter. Any lawful process  
28 against the registrant served upon the Secretary of State as provided  
29 in subsection 2 has the same force and validity as if served upon the  
30 registrant personally.

31 2. Service of process authorized by subsection 1 must be made  
32 by filing with the Secretary of State:

33 (a) Two copies of the process. The copies must include a  
34 specific citation to the provisions of this section. The Secretary of  
35 State may refuse to accept such service if the proper citation is not  
36 included in each copy.

37 (b) A fee of ~~[\$10.]~~ **\$15.**

38 The Secretary of State shall forthwith forward one copy of the  
39 process by registered or certified mail prepaid to the registrant ~~;~~  
40 , in the case of a registrant organized under the laws of a foreign  
41 government, to the United States manager or last appointed United  
42 States general agent of the registrant, giving the day and the hour of  
43 the service.





1 3. Service of process is not complete until the copy thereof has  
2 been mailed and received by the registrant, and the receipt of the  
3 addressee is prima facie evidence of the completion of the service.

4 4. If service of summons is made upon the Secretary of State in  
5 accordance with the provisions of this section, the time within which  
6 the registrant is required to appear is extended 10 days.

7 **Sec. 168.** Chapter 612 of NRS is hereby amended by adding  
8 thereto a new section to read as follows:

9 *1. A surcharge is hereby imposed on each employer at the  
10 following rates:*

11 *(a) If the employer employs not more than 300 full-time  
12 employees, the employer shall pay a surcharge at a rate of 35  
13 percent of the contributions, or reimbursements in lieu of  
14 contributions, he is required to pay under this chapter.*

15 *(b) If the employer employs more than 300 full-time  
16 employees, the employer shall pay a surcharge at a rate of 50  
17 percent of the contributions, or reimbursements in lieu of  
18 contributions, he is required to pay under this chapter.*

19 *2. The surcharge imposed by this section is in addition to any  
20 other payment required to be made by this chapter.*

21 *3. The surcharge must not be deducted, in whole or in part,  
22 from the wages of persons in employment for that employer.*

23 *4. The surcharge imposed by this section must be collected by  
24 the Administrator at the same time and in the same manner  
25 provided for the payment of contributions or reimbursements in  
26 lieu of contributions. Any money collected must be deposited with  
27 the State Treasurer for credit to the State General Fund.*

28 *5. It is the intent of the Legislature that the surcharge  
29 imposed by the provisions of this section must not be increased for  
30 a period of at least 10 years after January 1, 2004.*

31 *6. As used in this section, "employer" does not include:*

32 *(a) A person to whom a gaming license has been issued  
33 pursuant to chapter 463 of NRS.*

34 *(b) An agricultural employer as defined in NRS 612.055.*

35 *(c) A public utility as defined in NRS 704.020.*

36 *(d) A person who owns or operates a mine.*

37 **Sec. 169.** NRS 662.245 is hereby amended to read as follows:

38 662.245 1. An organization that does not maintain an office  
39 in this state to conduct the business of a trust company may be  
40 appointed to act as fiduciary by any court or by authority of any law  
41 of this state if, in addition to any other requirements of law, the  
42 organization:

43 (a) Associates as cofiduciary a bank authorized to do business in  
44 this state or a trust company licensed pursuant to chapter 669 of  
45 NRS; or



- 1 (b) Is a trust corporation or trust company which:  
2 (1) Is organized under the laws of and has its principal place  
3 of business in another state which allows trust corporations or trust  
4 companies licensed pursuant to chapter 669 of NRS to act as  
5 fiduciary in that state;  
6 (2) Is authorized by its charter to act as fiduciary; and  
7 (3) Before the appointment as fiduciary, files with the  
8 Secretary of State a document, acknowledged before a notarial  
9 officer, which:  
10 (I) Appoints the Secretary of State as its agent upon  
11 whom all process in any action or proceeding against it may be  
12 served;  
13 (II) Contains its agreement that the appointment continues  
14 in force as long as any liability remains outstanding against it in this  
15 state, and that any process against it which is served on the  
16 Secretary of State is of the same legal validity as if served on it  
17 personally;  
18 (III) Contains an address to which the Secretary of State  
19 may mail the process when received; and  
20 (IV) Is accompanied by a fee of ~~[\$10.]~~ **\$15.**  
21 A copy of the document required by this subparagraph, certified by  
22 the Secretary of State, is sufficient evidence of the appointment and  
23 agreement.  
24 2. A court which has jurisdiction over the accounts of a  
25 fiduciary that is a trust corporation or trust company described in  
26 paragraph (b) of subsection 1 may require the fiduciary to provide a  
27 bond to ensure the performance of its duties as fiduciary, in the  
28 same manner and to the same extent as the court may require such a  
29 bond from a fiduciary that is a bank or trust company described in  
30 paragraph (a) of subsection 1.  
31 3. Service of process authorized by subparagraph (3) of  
32 paragraph (b) of subsection 1 must be made by filing with the  
33 Secretary of State:  
34 (a) Two copies of the legal process. The copies must include a  
35 specific citation to the provisions of this section. The Secretary of  
36 State may refuse to accept such service if the proper citation is not  
37 included in each copy.  
38 (b) A fee of ~~[\$10.]~~ **\$15.**  
39 The Secretary of State shall forthwith forward one copy of the legal  
40 process to the organization, by registered or certified mail prepaid to  
41 the address provided in the document filed pursuant to subparagraph  
42 (3) of paragraph (b) of subsection 1.  
43 4. As used in this section:  
44 (a) "Fiduciary" means an executor, commissioner, guardian of  
45 minors or estates, receiver, depository or trustee.



1 (b) "Notarial officer" has the meaning ascribed to it in  
2 NRS 240.005.

3 (c) "State" means any state or territory of the United States, or  
4 the District of Columbia.

5 **Sec. 170.** NRS 705.060 is hereby amended to read as follows:

6 705.060 1. The contracts authorized by NRS 705.030 to  
7 705.070, inclusive, ~~{shall}~~ **must** be filed with the Secretary of State  
8 and recorded by him in a book of records to be kept for that purpose.  
9 On payment in full of the purchase money and the performance of  
10 the terms and conditions stipulated in any such contract, a  
11 declaration in writing to that effect ~~{shall}~~ **must** be made by the  
12 vendor, lessor or bailor, or his or its assignee, by a separate  
13 instrument, to be acknowledged by the vendor, lessor or bailor, or  
14 his or its assignee, and recorded ~~{as aforesaid.}~~ **in the same manner**  
15 **as the contract.**

16 2. The Secretary of State shall collect and pay into the State  
17 Treasury ~~{\\$5}~~ **\\$10** for filing each of such contracts or declarations  
18 and ~~{20}~~ **30** cents per folio for recording the same.

19 **Sec. 171.** NRS 707.240 is hereby amended to read as follows:

20 707.240 1. The person or persons, or the president or the  
21 managing agent of the company, association or corporation  
22 mentioned in NRS 707.230, ~~{shall}~~ **must** make, sign and  
23 acknowledge, before some person authorized by law to take  
24 acknowledgments of deeds, a certificate in writing setting forth:

25 (a) The name or names of the person or persons, company,  
26 association or corporation, ~~{}~~ as the case may be, ~~{}~~ by whom the  
27 line is to be operated.

28 (b) The names of the points or places constituting the termini of  
29 the line within this state.

30 (c) A general description of the route of the line.

31 2. The certificate ~~{shall}~~ **must** be filed and recorded in the  
32 Office of the Secretary of State, for which such person or persons,  
33 company, association or corporation shall pay the Secretary of State,  
34 for deposit in the *State* General Fund, the sum of ~~{\\$5.}~~ **\\$10**, and also  
35 ~~{25}~~ **40** cents for each folio contained in the certificate.

36 3. The record of the certificates shall **be deemed to** give  
37 constructive notice to all persons of the matter therein contained.  
38 The work of constructing such line, if not already commenced or  
39 completed within 30 days after the filing of the certificate  
40 ~~{aforesaid, shall}~~ **pursuant to this section, must** be continued, with  
41 all reasonable dispatch, until completed.

42 **Sec. 172.** Section 137 of this act is hereby amended to read as  
43 follows:

44 Sec. 137. 1. There is hereby imposed a tax at a rate of  
45 ~~{2}~~ **3** percent of the gross receipts from the rental of transient



1 lodging in each county upon those persons in the business of  
2 providing lodging who are required to pay the tax imposed  
3 pursuant to NRS 244.3352. This tax is in addition to any  
4 other taxes imposed on the revenue from the rental of  
5 transient lodging.

6 2. The tax imposed pursuant to subsection 1 must be:

7 (a) Collected and administered by the county in which the  
8 transient lodging is located in the same manner as provided  
9 for the tax imposed pursuant to NRS 244.3352.

10 (b) Paid within the time set forth in the schedule of  
11 payment adopted by that county for the tax imposed pursuant  
12 to NRS 244.3352.

13 3. The tax imposed pursuant to subsection 1 may be  
14 collected from the paying guests and may be shown as an  
15 addition to the charge for the rental of transient lodging. The  
16 person providing the transient lodging is liable to the State for  
17 the payment of the tax whether or not it is actually collected  
18 from the paying guest.

19 4. If the tax imposed pursuant to subsection 1 is not paid  
20 within the time set forth in the schedule for payment, the  
21 governmental entity collecting the tax shall charge and collect  
22 in addition to the tax:

23 (a) A penalty of not more than 10 percent of the amount  
24 due, exclusive of interest, or the administrative fee  
25 established by the board of county commissioners pursuant to  
26 NRS 244.3352, whichever is greater; and

27 (b) Interest on the amount due at the rate of not more than  
28 1.5 percent per month or fraction thereof from the date on  
29 which the tax became due until the date of payment.

30 5. The governmental entity collecting the tax imposed  
31 pursuant to subsection 1 shall deposit all proceeds of the tax  
32 and any applicable penalties and interest with the State  
33 Treasurer for credit to the State General Fund.

34 6. As used in this section "gross receipts from the rental  
35 of transient lodging" does not include the tax imposed and  
36 collected from paying guests pursuant to this section or NRS  
37 244.3352 or 268.096.

38 **Sec. 173.** Section 142 of this act is hereby amended to read as  
39 follows:

40 Sec. 142. 1. There is hereby imposed a tax at a rate of  
41 ~~2~~ 3 percent of the gross receipts from the rental of transient  
42 lodging in each city upon those persons in the business of  
43 providing lodging who are required to pay the tax imposed  
44 pursuant to NRS 268.096. This tax is in addition to any other



1 taxes imposed on the revenue from the rental of transient  
2 lodging.

3 2. The tax imposed pursuant to subsection 1 must be:

4 (a) Collected and administered by the city in which the  
5 transient lodging is located in the same manner as provided  
6 for the tax imposed pursuant to NRS 268.096.

7 (b) Paid within the time set forth in the schedule of  
8 payment adopted by that city for the tax imposed pursuant to  
9 NRS 268.096.

10 3. The tax imposed pursuant to subsection 1 may be  
11 collected from the paying guests and may be shown as an  
12 addition to the charge for the rental of transient lodging. The  
13 person providing the transient lodging is liable to the State for  
14 the payment of the tax whether or not it is actually collected  
15 from the paying guest.

16 4. If the tax imposed pursuant to subsection 1 is not paid  
17 within the time set forth in the schedule for payment, the city  
18 shall charge and collect in addition to the tax:

19 (a) A penalty of not more than 10 percent of the amount  
20 due, exclusive of interest, or the administrative fee  
21 established by the governing body of the city pursuant to  
22 NRS 268.096, whichever is greater; and

23 (b) Interest on the amount due at the rate of not more than  
24 1.5 percent per month or fraction thereof from the date on  
25 which the tax became due until the date of payment.

26 5. The governmental entity collecting the tax imposed  
27 pursuant to subsection 1 shall deposit all proceeds of the tax  
28 and any applicable penalties and interest with the State  
29 Treasurer for credit to the State General Fund.

30 6. As used in this section "gross receipts from the rental  
31 of transient lodging" does not include the tax imposed and  
32 collected from paying guests pursuant to this section or NRS  
33 244.3352 or 268.096.

34 **Sec. 174.** 1. NRS 353.272 and 353C.200 are hereby  
35 repealed.

36 2. NRS 364A.160 is hereby repealed.

37 **Sec. 175.** 1. An ad valorem tax of 5 cents on each \$100 of  
38 assessed valuation of taxable property is hereby levied for the fiscal  
39 year commencing July 1, 2004, and ending June 30, 2005, and an ad  
40 valorem tax of 10 cents on each \$100 of assessed valuation of  
41 taxable property is hereby levied for the fiscal year commencing  
42 July 1, 2005, and ending June 30, 2006, for the operating expenses  
43 of the State of Nevada. The taxes levied by this section must be  
44 collected in the manner provided in chapter 361 of NRS on all



1 taxable property in this state, including the net proceeds of minerals  
2 and excluding such property as is by law exempt from taxation.

3 2. The proceeds of the taxes levied by subsection 1 must be  
4 deposited in the State General Fund.

5 3. Notwithstanding the provisions of NRS 361.453, the levy  
6 imposed by subsection 1 must not be included in calculating the  
7 limitation set forth in subsection 1 of NRS 361.453 on the total ad  
8 valorem tax levied within the boundaries of a county, city or  
9 unincorporated town.

10 **Sec. 176.** The Governor shall:

11 1. Revise the final version of the proposed budget for the  
12 Executive Department of the State Government that was submitted  
13 to the 72nd Session of the Nevada Legislature pursuant to NRS  
14 353.230 and reduce the proposed expenditures contained in that  
15 budget by at least \$25,000,000 for Fiscal Year 2003-2004 and by at  
16 least \$25,000,000 for Fiscal Year 2004-2005; and

17 2. Submit the revised proposed budget for the Executive  
18 Department of the State Government to the Senate Standing  
19 Committee on Finance and the Assembly Standing Committee on  
20 Ways and Means on or before April 1, 2003.

21 **Sec. 177.** Notwithstanding the provisions of section 80 of this  
22 act, a business license issued pursuant to chapter 364A of NRS  
23 before January 1, 2004, expires on the last day of the calendar  
24 month in which the anniversary date of its issuance first occurs after  
25 that date, unless it is renewed pursuant to section 80 of this act on or  
26 before the date of expiration.

27 **Sec. 178.** 1. A state agency that is required to comply with  
28 the provisions of NRS 353.1465, as amended by section 146 of this  
29 act, shall:

30 (a) Not later than June 30, 2004, submit to the Fiscal Analysis  
31 Division of the Legislative Counsel Bureau and the Budget Division  
32 of the Department of Administration a plan for establishing the  
33 program required by those amendatory provisions; and

34 (b) Not later than January 2, 2005, submit to the Fiscal Analysis  
35 Division of the Legislative Counsel Bureau for transmittal to the  
36 73rd Session of the Nevada Legislature, a report of the progress  
37 made by the state agency in complying with those amendatory  
38 provisions.

39 2. The plan and report required by subsection 1 must include  
40 the anticipated date on which the program will be established and a  
41 description of any problems experienced by the agency in  
42 establishing the program.

43 **Sec. 179.** The Budget Division of the Department of  
44 Administration and the Fiscal Analysis Division of the Legislative  
45 Counsel Bureau shall jointly:



- 1 1. Identify all departments, institutions and agencies of the  
2 Executive Department of the State Government that administer  
3 programs for the treatment of alcohol and drug abuse or provide  
4 funding to local governments for such programs;
- 5 2. Develop a proposal for coordinating such programs,  
6 reducing the administrative costs associated with such programs and  
7 maximizing the use of state revenue being expended for such  
8 programs; and
- 9 3. Report their recommendations to the Governor and the  
10 Director of the Legislative Counsel Bureau not later than  
11 December 1, 2004.

12 **Sec. 180.** The provisions of:

13 1. Sections 84, 85, 87, 88, 164, 165 and subsection 2 of section  
14 174 of this act do not affect the amount of any taxes or license fees  
15 due for any period ending on or before June 30, 2003.

16 2. Sections 90, 92 and 94 of this act do not apply to any taxes  
17 precollected pursuant to chapter 370 of NRS on or before June 30,  
18 2003.

19 **Sec. 181.** 1. This section and sections 73, 176 and 180 of this  
20 act become effective upon passage and approval.

21 2. Sections 79, 80, 82 to 85, inclusive, 87, 88, 90, 92, 94, 98 to  
22 128, inclusive, 130 to 144, inclusive, 164 to 167, inclusive, 169,  
23 170, 171, subsection 2 of section 174 and 177 of this act become  
24 effective:

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

28 (b) On July 1, 2003, for all other purposes.

29 3. Sections 81, 86, 89, 96, 129, 145, 147 to 163, inclusive,  
30 subsection 1 of section 174, 178 and 179 of this act become  
31 effective on July 1, 2003.

32 4. Sections 91, 93 and 95 of this act become effective on  
33 July 1, 2004.

34 5. Sections 1 to 72, inclusive, 74 to 78, inclusive, 97 and 168  
35 become effective:

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

39 (b) On January 1, 2004, for all other purposes.

40 6. Sections 172 and 173 of this act become effective on July 1,  
41 2005.

42 7. Section 175 of this act becomes effective on July 1, 2004,  
43 only if the revised proposed budget for the Executive Department of  
44 the State Government required by section 176 of this act is  
45 submitted the Senate Standing Committee on Finance and the



- 1 Assembly Standing Committee on Ways and Means on or before
- 2 April 1, 2003.
- 3 8. Section 146 of this act becomes effective on July 1, 2007.

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TEXT OF REPEALED SECTIONS

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**353.272 "Fund defined."** "Fund" means the Disaster Relief Fund created pursuant to NRS 353.2735.

**353C.200 Contract with private debt collector: Conditions; prohibitions; provisions regarding costs of and fees for collecting debt; approval.**

1. Except as otherwise provided in subsection 2, an agency may enter into a contract with a private debt collector or any other person for the assignment of the collection of a debt if the agency:

(a) Determines the assignment is likely to generate more net revenue than equivalent efforts by the agency to collect the debt, including collection efforts pursuant to this chapter;

(b) Determines the assignment will not compromise future collections of state revenue; and

(c) Notifies the debtor in writing at his address of record that the debt will be turned over for private collection unless the debt is paid.

2. An agency shall not enter into a contract with a private debt collector or any other person for the assignment of the collection of a debt if the debt has been contested by the debtor.

3. A contract for the assignment of the collection of a debt may provide for:

(a) Payment by the agency to the private debt collector or other person of the costs of collection and fees for collecting the debt; or

(b) Collection by the private debt collector or other person from the debtor of the costs of collection and fees for collecting the debt.

4. Any contract entered into pursuant to this section is subject to approval by the Director of the Department of Administration and the State Controller.

**364A.160 Exemption for natural person with no employees during calendar quarter.** A natural person who does not employ any employees during a calendar quarter is exempt from the provisions of this chapter for that calendar quarter.

