

THE SEVENTY-THIRD DAY

CARSON CITY (Wednesday), April 18, 2007

Senate called to order at 11:35 a.m.

President pro Tempore Amodei presiding.

Roll called.

All present.

Prayer by the Chaplain, Reverend Bruce Henderson.

According to Mother Goose, "Wednesday's child is full of woe." May our Wednesday be filled with joy and peace and satisfaction. I pray in the Name of the One who overcomes all woe.
AMEN.

Pledge of Allegiance to the Flag.

Senator Raggio moved that further reading of the Journal be dispensed with, and the President pro Tempore and Secretary be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Mr. President pro Tempore:

Your Committee on Commerce and Labor, to which were referred Senate Bills Nos. 113, 231, 359, 403, 432, 477, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDOLPH J. TOWNSEND, *Chair*

Mr. President pro Tempore:

Your Committee on Finance, to which was referred Senate Bill No. 454, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM J. RAGGIO, *Chair*

Mr. President pro Tempore:

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 59, 110, 164, 245, 356, 529, 535, 552, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*

Mr. President pro Tempore:

Your Committee on Legislative Operations and Elections, to which were referred Senate Bills Nos. 367, 430, 491, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

BARBARA K. CEGAVSKE, *Chair*

Mr. President pro Tempore:

Your Committee on Natural Resources, to which were referred Senate Bills Nos. 276, 329, 405; Senate Joint Resolution No. 10, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

DEAN A. RHOADS, *Chair*

Mr. President pro Tempore:

Your Committee on Taxation, to which were referred Senate Bills Nos. 233, 375, 503, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MIKE MCGINNESS, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 17, 2007

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 113, 428, 534, 541, 542.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 1, 14, 15, 67, 79, 88, 143, 165, 195, 216, 235, 267.

LUCINDA BENJAMIN

Assistant Chief Clerk of the Assembly

WAIVERS AND EXEMPTIONS

NOTICE OF EXEMPTION

April 18, 2007

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the exemption of: Senate Bill No. 558.

GARY GHIGGERI

Fiscal Analysis Division

MOTIONS, RESOLUTIONS AND NOTICES

Assembly Concurrent Resolution No. 9.

Resolution read.

Senator Cegavske moved the adoption of the resolution.

Remarks by Senator Cegavske.

Resolution adopted, as amended.

Resolution ordered transmitted to the Assembly.

Senator Raggio moved that the Secretary of the Senate dispense with reading the histories and titles of all bills and resolutions through April 25, 2007, the day after the deadline for House passage.

Motion carried.

Senator Hardy moved that Senate Bill No. 83 be taken from the Secretary's desk and placed on the bottom of the General File.

Remarks by Senator Titus.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 1.

Senator Nolan moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 14.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 15.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 67.

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

Motion carried.

Assembly Bill No. 79.

Senator Nolan moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

Assembly Bill No. 88.

Senator Nolan moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 113.

Senator Nolan moved that Senate Standing Rule No. 40 be suspended and that the bill be referred to the Committee on Natural Resources.

Remarks by Senator Nolan.

Motion carried.

Assembly Bill No. 143.

Senator Nolan moved that the bill be referred to the Committee on Legislative Operations and Elections.

Motion carried.

Assembly Bill No. 165.

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

Motion carried.

Assembly Bill No. 195.

Senator Nolan moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 216.

Senator Nolan moved that the bill be referred to the Committee on Commerce and Labor.

Motion carried.

Assembly Bill No. 235.

Senator Nolan moved that the bill be referred to the Committee on Human Resources and Education.

Motion carried.

Assembly Bill No. 267.

Senator Nolan moved that the bill be referred to the Committee on Human Resources and Education.

Motion carried.

Assembly Bill No. 428.

Senator Nolan moved that the bill be referred to the Committee on Judiciary.

Motion carried.

Assembly Bill No. 534.

Senator Nolan moved that the bill be referred to the Committee on Legislative Affairs and Operations.

Motion carried.

Assembly Bill No. 541.

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

Motion carried.

Assembly Bill No. 542.

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

Motion carried.

Senator Nolan moved that the Senate recess subject to the call of the Chair.

Motion carried.

Senate in recess at 11:48 a.m.

SENATE IN SESSION

At 11:54 a.m.

President pro Tempore Amodei presiding.

Quorum present.

SECOND READING AND AMENDMENT

Senate Bill No. 61.

Bill read second time.

The following amendment was proposed by the Committee on Transportation and Homeland Security:

Amendment No. 53.

"SUMMARY—Provides for a pilot program for local governments to use certain automated systems for the enforcement of traffic laws. (BDR 43-330)"

"AN ACT relating to traffic laws; requiring the Department of Transportation to establish a pilot program to allow local governments to use certain automated enforcement systems to gather evidence to be used for the issuance of traffic citations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 5 of this bill requires the Department of Transportation to adopt regulations establishing a pilot program for local governments to acquire and use automated enforcement systems to gather evidence to be used for the issuance of traffic citations. Sections 3 and 4 of this bill provide that such systems may include a red-light camera which is placed at an intersection or crosswalk that is controlled by an official traffic-control device to photograph vehicles. The regulations must, in addition to other requirements, provide that the penalty for a violation evidenced through the use of an automated enforcement system is the lowest penalty imposed for a parking violation which the Department determines is sufficient to pay the costs of administering the pilot program. *Section 5 further provides: (1) that citations be mailed to the registered owner of the vehicle within 10 days after the incident and be accompanied by a picture of the driver; (2) for procedures to be adopted by which the registered owner may have the citation dismissed; and (3) that any local government that wishes to implement a pilot program must provide 30 days' notice before commencing the program and must erect signs at intersections which have an automated enforcement system in place. Finally, section 5 prohibits payments to the manufacturer or supplier of the system based on the number of citations issued.*

Section 6 of this bill requires local governments to submit information they compile concerning the use of an automated enforcement system to the Department every 2 years and requires the Department to maintain a clearinghouse of information and submit a report to the Director of the Legislative Counsel Bureau.

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

Section 1. Chapter 484 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. *As used in NRS 484.910 and sections 2 to 6, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Automated enforcement system" means a contrivance, device or mechanism, or any combination thereof, which is used to obtain evidence of a moving traffic violation without operation by a person. The term includes a red-light camera.*

Sec. 4. *"Red-light camera" means a camera which:*

1. *Is adapted for use or placed at an intersection or crosswalk in which movement of vehicles or pedestrians, or both, is controlled by an official*

traffic-control device that is operated electrically, electronically or mechanically; and

2. Is capable of photographing or otherwise capturing images or representations of the following in a simultaneous or approximately simultaneous manner:

- (a) The license plate number of a vehicle;
- (b) The signal displayed by or upon the official traffic-control device as the vehicle enters or exits, or both, the intersection or crosswalk;
- (c) The position of the vehicle within the intersection or crosswalk relative to the signal displayed by or upon the official traffic-control device; and
- (d) The date and time.

Sec. 5. 1. The Department of Transportation shall adopt regulations establishing a pilot program to allow a county, city or other local government to acquire and use an automated enforcement system to gather evidence that may be used for the issuance of a traffic citation:

- (a) For a violation of this chapter; or
- (b) For a violation of an ordinance, rule or regulation of the county, city or local government.

2. The regulations adopted pursuant to subsection 1 must set forth, without limitation:

(a) That the penalty for a violation evidenced through the use of an automated enforcement system will be the lowest penalty imposed for the violation of a law or ordinance governing parking which the Department determines is sufficient to pay the costs of administering the pilot program.

(b) That a citation issued through the use of an automated enforcement system must:

(1) Insofar as practicable, comply with the applicable provisions of NRS 484.799;

(2) Be issued to the registered owner of the vehicle; ~~and~~

(3) Include or be accompanied by a photograph of the driver;

(4) Be mailed or otherwise delivered to the registered owner of the vehicle within 10 working days after the date of the incident; and

~~and~~ (5) Afford the person cited:

(I) ~~and~~ The opportunity to appeal or otherwise challenge the citation by appearance before a magistrate, justice or judge, as appropriate ~~and~~; or

(II) The opportunity to respond by mail within 30 days after the mailing of the citation, by submitting to the court having jurisdiction over the alleged offense, a photocopy of the driver's license of the registered owner and a signed and notarized affidavit stating that the owner was not the driver of the vehicle. A court having jurisdiction over the alleged offense that receives an affidavit and photocopy pursuant to this sub-subparagraph shall dismiss the citation without requiring a court appearance by the registered owner if it finds there is reason to believe the registered owner was not the driver of the vehicle.

(c) *The information which must be included in the report that a county, city or local government is required to provide to the Department of Transportation pursuant to section 6 of this act.*

3. A county, city or local government that wishes to implement a pilot program pursuant to subsection 1 shall:

(a) Coordinate with private entities to provide for a public information campaign regarding the implementation of the pilot program at least 30 days before the commencement of the pilot program; and

(b) Identify the presence of an automated enforcement system by erecting signs which clearly indicate the presence of such a system and which are visible to traffic approaching from all directions, or erect signs at all major entrances to its jurisdiction, including, without limitation, freeways, bridges and state highways.

4. A contract between the county, city or local government and a manufacturer or supplier of an automated enforcement system must:

(a) Require the manufacturer or supplier to provide sufficient evidence of a traffic violation in a timely manner to facilitate the issuance of a citation within the period provided for in paragraph (b) of subsection 2; and

(b) Provide that the manufacturer or supplier must not receive:

(1) Any payments or compensation based on the number of citations issued; or

(2) A percentage of the revenue generated as a result of the use of the automated enforcement system.

Sec. 6. *The Department of Transportation shall:*

1. Establish and maintain a clearinghouse of information on matters relating to the use of automated enforcement systems;

2. Require a county, city or local government that acquires and uses an automated enforcement system to report to the Department of Transportation, on or before October 1, 2007, and on or before October 1 of each even-numbered year thereafter, the information required to be reported by the regulations adopted pursuant to section 5 of this act; and

3. On or before ~~April~~ January 1 of each odd-numbered year, submit to the Director of the Legislative Counsel Bureau for distribution to each regular session of the Legislature a report on the use of automated enforcement systems.

Sec. 7. NRS 484.910 is hereby amended to read as follows:

484.910 ~~{A}~~ *Except as otherwise provided in sections 2 to 6, inclusive, of this act, a governmental entity and any agent thereof shall not use photographic, video or digital equipment for gathering evidence to be used for the issuance of a traffic citation for a violation of this chapter unless the equipment is held in the hand or installed temporarily or permanently within a vehicle or facility of a law enforcement agency.*

Sec. 8. 1. *This act becomes effective upon passage and approval.*

2. *Section 5 of this act expires by limitation on June 30, 2011.*

Senator Nolan moved the adoption of the amendment.

Remarks by Senators Nolan, Care and Horsford.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 84.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 205.

"SUMMARY—~~[Requires the approval of building officials for]~~ *Revises provisions governing* certificates pertaining to the subdivision of certain buildings. (BDR 22-377)"

"AN ACT relating to land use planning; ~~[requiring the approval of building officials for]~~ *revising provisions governing* certificates pertaining to the subdivision of existing industrial or commercial buildings; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, a professional engineer or registered architect is required to certify that a proposed subdivision of an existing industrial or commercial building will comply with the applicable building code and such a certificate is required to be attached to any document that proposes to subdivide the building. (NRS 278.325) *This bill requires such a certificate to indicate that the building complies with applicable current state law and with the building code in effect at the time the building was constructed.* This bill *also* requires that *, in a county whose population is 400,000 or more (currently Clark County),* such a certificate be reviewed, approved and signed by the building official having jurisdiction over the area within which the building is situated.

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

Section 1. NRS 278.325 is hereby amended to read as follows:

278.325 1. If a subdivision is proposed on land which is zoned for industrial or commercial development, neither the tentative nor the final map need show any division of the land into lots or parcels, but the streets and any other required improvements are subject to the requirements of NRS 278.010 to 278.630, inclusive.

2. No parcel of land may be sold for residential use from a subdivision whose final map does not show a division of the land into lots.

3. Except as otherwise provided in subsection 4, a boundary or line must not be created by a conveyance of a parcel from an industrial or commercial subdivision unless a professional land surveyor has surveyed the boundary or line and set the monuments. The surveyor shall file a record of the survey pursuant to the requirements set forth in NRS 625.340. Any conveyance of such a parcel must contain a legal description of the parcel that is independent of the record of survey.

4. The provisions of subsection 3 do not apply to a boundary or line that is created entirely within an existing industrial or commercial building. A certificate *prepared* by a professional engineer or registered architect ~~[which certifies]~~ certifying compliance with the applicable *law of this State in effect at the time of the preparation of the certificate and with the building code* ~~for which certificate has been reviewed, approved and signed by the building official having jurisdiction over the area within which the building is situated,~~ *in effect at the time the building was constructed* must be attached to any document which proposes to subdivide *such* a building.

5. A certificate prepared pursuant to subsection 4 for a building located in a county whose population is 400,000 or more must be reviewed, approved and signed by the building official having jurisdiction over the area within which the building is situated.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 106.

Bill read second time.

The following amendment was proposed by the Committee on Transportation and Homeland Security:

Amendment No. 242.

"SUMMARY—Revises provisions concerning the release of certain confidential and restricted documents relating to potential acts of terrorism. (BDR 19-300)"

"AN ACT relating to homeland security; prescribing the persons authorized to inspect certain confidential or restricted documents relating to potential acts of terrorism; extending the prospective expiration date of the provisions relating to such confidential and restricted documents; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Sections 3 and 4 of this bill prescribe the persons who may properly inspect certain confidential documents that are prepared and maintained to prevent or respond to an act of terrorism and certain restricted documents which include blueprints or plans of certain places likely to be targeted for a terrorist attack to include state, ~~and~~ county *and city* emergency managers, members of Nevada terrorism early warning centers or fusion intelligence centers *and their staff* and employees of fire-fighting, ~~and~~ law enforcement *and public health* agencies. (NRS 239C.210, 239C.220) Section 5 of this bill extends the prospective expiration date of the provisions relating to such confidential and restricted documents from June 30, 2007, to June 30, 2009.

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

Section 1. Chapter 239C of NRS is hereby amended by adding thereto a new section to read as follows:

"Law enforcement agency" means:

1. The sheriff's office of a county;
2. A metropolitan police department;
3. A police department of an incorporated city; or
4. The Department of Public Safety.

Sec. 2. NRS 239C.020 is hereby amended to read as follows:

239C.020 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 239C.030 to 239C.110, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.

Sec. 3. NRS 239C.210 is hereby amended to read as follows:

239C.210 1. A document, record or other item of information described in subsection 2 that is prepared and maintained for the purpose of preventing or responding to an act of terrorism is confidential, not subject to subpoena or discovery, ~~and~~ not subject to inspection by the general public *and may only be inspected by or released to public safety and public health personnel* if the Governor determines, by executive order, that the disclosure or release of the document, record or other item of information would thereby create a substantial likelihood of compromising, jeopardizing or otherwise threatening the public health, safety or welfare.

2. The types of documents, records or other items of information subject to executive order pursuant to subsection 1 are as follows:

(a) Assessments, plans or records that evaluate or reveal the susceptibility of fire stations, police stations and other law enforcement stations to acts of terrorism or other related emergencies.

(b) Drawings, maps, plans or records that reveal the critical infrastructure of primary buildings, facilities and other structures used for storing, transporting or transmitting water or electricity, natural gas or other forms of energy.

(c) Documents, records or other items of information which may reveal the details of a specific emergency response plan or other tactical operations by a response agency and any training relating to such emergency response plans or tactical operations.

(d) Handbooks, manuals or other forms of information detailing procedures to be followed by response agencies in the event of an act of terrorism or other related emergency.

(e) Documents, records or other items of information that reveal information pertaining to specialized equipment used for covert, emergency or tactical operations of a response agency, other than records relating to expenditures for such equipment.

(f) Documents, records or other items of information regarding the infrastructure and security of frequencies for radio transmissions used by response agencies, including, without limitation:

- (1) Access codes, passwords or programs used to ensure the security of frequencies for radio transmissions used by response agencies;
- (2) Procedures and processes used to ensure the security of frequencies for radio transmissions used by response agencies; and
- (3) Plans used to reestablish security and service with respect to frequencies for radio transmissions used by response agencies after security has been breached or service has been interrupted.

3. If a person knowingly and unlawfully discloses a document, record or other item of information subject to an executive order issued pursuant to subsection 1 or assists, solicits or conspires with another person to disclose such a document, record or other item of information, the person is guilty of:

- (a) A gross misdemeanor; or
- (b) A category C felony and shall be punished as provided in NRS 193.130 if the person acted with the intent to:

- (1) Commit, cause, aid, further or conceal, or attempt to commit, cause, aid, further or conceal, any unlawful act involving terrorism or sabotage; or
- (2) Assist, solicit or conspire with another person to commit, cause, aid, further or conceal any unlawful act involving terrorism or sabotage.

4. *As used in this section, "public safety and public health personnel" includes:*

- (a) *State, ~~and~~ county and city emergency managers;*
- (b) *Members and staff of terrorism early warning centers or fusion intelligence centers in this State;*
- (c) *Employees of fire-fighting or law enforcement agencies; and*
- (d) *Any other person who performs a function related to public safety ~~or~~ or public health.*

Sec. 4. NRS 239C.220 is hereby amended to read as follows:

239C.220 1. Unless made confidential by specific statute, a restricted document may be inspected only by a person who provides:

- (a) His name;
- (b) A copy of his driver's license or other photographic identification that is issued by a governmental entity;
- (c) The name of his employer, if any;
- (d) His citizenship; and
- (e) Except as otherwise provided in this paragraph, a statement of the purpose for the inspection. A person is not required to indicate the purpose for inspecting a restricted document if the person is ~~an~~ :

- (1) *A state, ~~or~~ county or city emergency manager;*
- (2) *A member or staff person of a terrorism early warning center or fusion intelligence center in this State; ~~or~~*
- (3) *An employee of any fire-fighting or law enforcement agency ~~or~~ or*

(4) A person who performs a function related to public safety or public health.

2. Except as otherwise provided in subsection 3, a public officer or employee shall observe any person while the person inspects a restricted document in a location and in a manner which ensures that the person does not copy, duplicate or reproduce the restricted document in any way.

3. A restricted document may be copied, duplicated or reproduced:

- (a) Upon the lawful order of a court of competent jurisdiction;
- (b) As is reasonably necessary in the case of an act of terrorism or other related emergency;
- (c) To protect the rights and obligations of a governmental entity or the public;
- (d) Upon the request of a reporter or editorial employee who is employed by or affiliated with a newspaper, press association or commercially operated and federally licensed radio or television station and who uses the restricted document in the course of such employment or affiliation; or

(e) Upon the request of a registered architect, licensed contractor or a designated employee of any such architect or contractor who uses the restricted document in his professional capacity.

4. A public officer or employee shall inform any person who inspects a restricted document of the provisions of this section.

Sec. 5. Section 40 of chapter 402, Statutes of Nevada 2003, at page 2469, is hereby amended to read as follows:

Sec. 40. 1. This section and sections 1 to 33, inclusive, 38, 38.5 and 39 of this act become effective on July 1, 2003.

2. Sections 34 to 37, inclusive, of this act become effective on January 1, 2004.

~~3. The provisions of sections 21 to 24, inclusive, and 27.5 of this act expire by limitation on June 30, [2007.] [2009.]~~

Sec. 6. This act becomes effective upon passage and approval.

Senator Heck moved the adoption of the amendment.

Remarks by Senators Heck, Care, Titus and Nolan.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 137.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 27.

"SUMMARY—Revises provisions relating to local governmental purchasing. (BDR 27-365)"

"AN ACT relating to local governmental purchasing; increasing the monetary thresholds at which local governmental purchasing contracts must

be advertised or put out to bid; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, a local government is required to advertise a purchasing contract if the estimated cost to perform the contract exceeds \$25,000. (NRS 332.039) Local governmental purchasing contracts that are required to be advertised must be published, and a person who submits a bid on such a contract may protest the awarding of the contract. (NRS 332.045, 332.068) This bill ~~increases the threshold at which~~ requires a local government ~~is required~~ to advertise a purchasing contract ~~from \$25,000 to~~ if the estimated annual cost required to perform the contract exceeds \$50,000.

Under existing law, if the estimated cost to perform a local governmental purchasing contract is more than \$10,000 but not more than \$25,000, the local government is not required to advertise the contract but is required to submit requests for bids to at least two persons capable of performing the contract, if available. (NRS 332.039) This bill raises the applicable range of estimated costs so that a local government is required to submit such a request for bids in connection with a purchasing contract if the estimated annual cost to perform the contract is more than \$25,000 but not more than \$50,000.

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

Section 1. NRS 332.039 is hereby amended to read as follows:

332.039 1. Except as otherwise provided by specific statute:

(a) A governing body or its authorized representative shall advertise all contracts for which the estimated annual amount required to perform the contract exceeds ~~[\$25,000]~~ \$50,000.

(b) A governing body or its authorized representative may enter into a contract of any nature without advertising if the estimated annual amount required to perform the contract is ~~[\$25,000]~~ \$50,000 or less.

(c) If the estimated annual amount required to perform the contract is more than ~~[\$10,000]~~ \$25,000 but not more than ~~[\$25,000]~~ \$50,000, requests for bids must be submitted or caused to be submitted by the governing body or its authorized representative to two or more persons capable of performing the contract, if available. The governing body or its authorized representative shall maintain a record of all requests for bids and all bids received for the contract for at least 7 years after the date of execution of the contract.

2. This section does not prohibit a governing body or its authorized representative from advertising for or requesting bids regardless of the estimated annual amount required to perform the contract.

Sec. 2. This act becomes effective upon passage and approval.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 141.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 407.

"SUMMARY—~~Increases~~ *Contingently increases* the rate of the tax on transfers of real property in certain counties to fund capital projects for the county school district. (BDR 32-757)"

"AN ACT relating to taxation; *contingently* increasing the rate of the tax on transfers of real property in certain counties; requiring ~~the~~ *any* proceeds of the increased tax to be deposited in the county school district's fund for capital projects; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, subject to certain exceptions, a tax is imposed on the transfer of real property in each county. In a county whose population is 400,000 or more (currently Clark County), the tax is imposed at a rate of \$1.25 for each \$500 of value of the property. In all other counties, the tax is imposed at a rate of 65 cents for each \$500 of value. (NRS 375.020, 375.090) Section 1 of this bill makes the rate of \$1.25 for each \$500 of value applicable in a county whose population is 100,000 or more, thereby increasing the rate of the tax in counties whose population is 100,000 or more but less than 400,000 (currently Washoe County).

Under existing law, in a county whose population is 400,000 or more, a portion of the proceeds of the tax that is equal to 60 cents for each \$500 of value must be deposited in the county school district's fund for capital projects. (NRS 375.070) Section 2 of this bill makes that requirement applicable in a county whose population is 100,000 or more.

The provisions of sections 1 and 2 of this bill will become effective on January 1, 2009, only if the voters of the affected counties approve of the effect of those provisions at the 2008 General Election.

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

Section 1. NRS 375.020 is hereby amended to read as follows:

375.020 1. A tax, at the rate of:

(a) In a county whose population is ~~400,000~~ 100,000 or more, \$1.25; and

(b) In a county whose population is less than ~~400,000~~ 100,000, 65 cents,

↪ for each \$500 of value or fraction thereof, is hereby imposed on each deed by which any lands, tenements or other realty is granted, assigned, transferred or otherwise conveyed to, or vested in, another person, if the consideration or value of the interest or property conveyed exceeds \$100.

2. The amount of tax must be computed on the basis of the value of the transferred real property as declared pursuant to NRS 375.060.

Sec. 2. NRS 375.070 is hereby amended to read as follows:

375.070 1. The county recorder shall transmit the proceeds of the tax imposed by NRS 375.020 at the end of each quarter in the following manner:

(a) An amount equal to that portion of the proceeds which is equivalent to 10 cents for each \$500 of value or fraction thereof must be transmitted to the State Controller who shall deposit that amount in the Account for Low-Income Housing created pursuant to NRS 319.500.

(b) In a county whose population is ~~more than 400,000,~~ 100,000 or more, an amount equal to that portion of the proceeds which is equivalent to 60 cents for each \$500 of value or fraction thereof must be transmitted to the county treasurer for deposit in the county school district's fund for capital projects established pursuant to NRS 387.328, to be held and expended in the same manner as other money deposited in that fund.

(c) The remaining proceeds must be transmitted to the State Controller for deposit in the Local Government Tax Distribution Account created by NRS 360.660 for credit to the respective accounts of Carson City and each county.

2. In addition to any other authorized use of the proceeds it receives pursuant to subsection 1, a county or city may use the proceeds to pay expenses related to or incurred for the development of affordable housing for families whose income does not exceed 80 percent of the median income for families residing in the same county, as that percentage is defined by the United States Department of Housing and Urban Development. A county or city that uses the proceeds in that manner must give priority to the development of affordable housing for persons who are disabled or elderly.

3. The expenses authorized by subsection 2 include, but are not limited to:

- (a) The costs to acquire land and developmental rights;
- (b) Related predevelopment expenses;
- (c) The costs to develop the land, including the payment of related rebates;
- (d) Contributions toward down payments made for the purchase of affordable housing; and
- (e) The creation of related trust funds.

Sec. 3. At the general election on November 4, 2008, in each county whose population is 100,000 or more but less than 400,000, a question must be placed on the general election ballot in substantially the following form:

Shall the tax on transfers of real property in this county be increased by 60 cents for each \$500 of the value of the transferred property to fund capital projects for the county school district?

~~Sec. 3.~~ *Sec. 4. 1. This section and section 3 of this act ~~becomes~~ become effective on July 1, 2007.*

2. Sections 1 and 2 of this act become effective on January 1, 2009, only if a majority of the voters voting on the question placed on the ballot pursuant to section 3 of this act vote affirmatively on the question in all the counties in which the question was placed on the ballot.

Senator McGinness moved the adoption of the amendment.

Remarks by Senator McGinness, Coffin and Townsend.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 145.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 111.

"SUMMARY—Revises provisions relating to public utilities and fees. (BDR 31-936)"

"AN ACT relating to public utilities; revising the definition of "public utility" regarding limitations on local government fees; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides various provisions relating to the limitations on local government fees on public utilities. (NRS 354.59881-354.59889) This bill revises the definition of "public utility" to exclude persons subject to the Nevada Liquefied Petroleum Gas Act. (NRS 590.465-590.645)

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

Section 1. NRS 354.598817 is hereby amended to read as follows:

354.598817 "Public utility" includes:

1. A person or local government that:

(a) Provides electric energy or gas, *regardless of whether ~~for not~~ the person or local government is subject to regulation by the Public Utilities Commission of Nevada ~~is~~*, *except that the term "public utility" does not include a person ~~described in subsection 5 of NRS 704.030,~~ who is subject to the provisions of NRS 590.465 to 590.645, inclusive;*

(b) Is a telecommunication carrier as that term is defined in 47 U.S.C. § 153 on July 16, 1997, if the person or local government holds a certificate of public convenience and necessity issued by the Public Utilities Commission of Nevada and derives intrastate revenue from the provision of telecommunication service to retail customers; or

(c) Sells or resells personal wireless services.

2. A community antenna television company as that term is defined in NRS 711.030.

Sec. 2. This act becomes effective on July 1, 2007.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 146.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:
Amendment No. 149.

"SUMMARY—Authorizes the boards of county commissioners of certain counties to levy an ad valorem tax to pay the costs of operating a regional facility for the detention of children. (BDR 31-937)"

"AN ACT relating to the financial administration of counties; authorizing the boards of county commissioners of certain counties to levy an ad valorem tax to pay the costs of operating a regional facility for the detention of children; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes the boards of county commissioners of at least two counties to levy a property tax of 5 cents per \$100 of the assessed valuation of the property in those counties to pay the costs of operating a regional facility, including certain regional facilities for the detention of children for which those counties are required to pay an assessment for its operation. (NRS 354.557, 354.59818) This bill authorizes the boards of county commissioners of at least two counties whose populations are less than 100,000 (currently counties other than Clark and Washoe Counties) to levy a separate property tax of 8 cents per \$100 of the assessed valuation of the property in those counties to pay the costs of operating such a regional facility for the detention of children.

Existing law establishes a general limitation on the maximum amount by which the revenue that a local government may receive from property taxes may increase each year. (NRS 354.59811) ~~Existing law generally limits the maximum amount of property taxes which may be imposed for all public purposes to \$3.64 on each \$100 of the assessed valuation of property. (NRS 361.453)~~ Existing law also generally limits the amount by which the tax liability of property may increase each year. (NRS 361.4722, 361.4723, 361.4724) This bill exempts the additional levy of property tax authorized by this bill from each of these limitations.

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

Section 1. NRS 354.59818 is hereby amended to read as follows:

354.59818 1. In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811 ~~and any tax imposed pursuant to subsection 2~~, the boards of county commissioners of at least two counties may levy a tax ad valorem on all taxable property in their respective counties at a rate not to exceed 5 cents per \$100 of the assessed valuation of each county to pay the costs of operating a regional facility.

2. *In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811 and any tax imposed pursuant to subsection 1, the boards of county commissioners of at least two counties whose populations are less than 100,000 may levy a tax ad valorem on all taxable property in their respective counties at a rate not to exceed 8 cents per \$100 of the assessed valuation of each county to pay the costs of operating a*

regional facility for the detention of children for which an assessment is paid pursuant to NRS 62B.160. ~~[Any rate levied pursuant to this subsection must not be included in the total ad valorem tax levy for the purposes of the application of the limitation in NRS 361.453.]~~ If a tax is levied pursuant to this subsection, the tax bill of each affected taxpayer must separately state:

- (a) That the tax is a county-imposed tax for regional juvenile services;*
- (b) The rate of the tax; and*
- (c) The amount of the tax liability resulting from the levy of the tax.*

3. Counties that levy a tax ad valorem pursuant to subsection 1 or 2 may enter into an interlocal agreement or interlocal contract to create an administrative entity to operate a regional facility.

~~{3.}~~ 4. The revenue of a tax collected pursuant to this section must be remitted on the first day of the first month of each calendar quarter to:

(a) If the regional facility is operated by a county, the treasurer of the county; or

(b) If the regional facility is operated by an administrative entity, the administrative entity.

~~{4.}~~ 5. By the end of each fiscal year, the board of county commissioners of each county that levies a tax pursuant to this section must determine the rate of tax required to produce revenue in an amount which is sufficient to pay the operating costs of the regional facility for the ensuing fiscal year. When calculating a rate pursuant to this section, the board of county commissioners of each county shall consider the amount of money remaining in the fund created pursuant to NRS 354.59819, if such a fund is created, unless the amount of money remaining in the fund is 10 percent or less of the revenue deposited for the current fiscal year.

Sec. 2. ~~[NRS 361.453 is hereby amended to read as follows:~~

~~361.453 1. Except as otherwise provided in this section, subsection 2 of NRS 354.59818 and NRS 354.705, 354.723 and 450.760, the total ad valorem tax levy for all public purposes must not exceed \$3.64 on each \$100 of assessed valuation, or a lesser or greater amount fixed by the State Board of Examiners if the State Board of Examiners is directed by law to fix a lesser or greater amount for that fiscal year.~~

~~2. Any levy imposed by the Legislature for the repayment of bonded indebtedness or the operating expenses of the State of Nevada and any levy imposed by the board of county commissioners pursuant to NRS 387.195 that is in excess of 50 cents on each \$100 of assessed valuation of taxable property within the county must not be included in calculating the limitation set forth in subsection 1 on the total ad valorem tax levied within the boundaries of the county, city or unincorporated town, if, in a county whose population is 40,000 or less, or in a city or unincorporated town located within that county:~~

~~(a) The combined tax rate certified by the Nevada Tax Commission was at least \$3.50 on each \$100 of assessed valuation on June 25, 1998;~~

~~(b) The governing body of that county, city or unincorporated town proposes to its registered voters an additional levy ad valorem above the total ad valorem tax levy for all public purposes set forth in subsection 1;~~

~~(c) The proposal specifies the amount of money to be derived, the purpose for which it is to be expended and the duration of the levy; and~~

~~(d) The proposal is approved by a majority of the voters voting on the question at a general election or a special election called for that purpose.~~

~~3. The duration of the additional levy ad valorem levied pursuant to subsection 2 must not exceed 5 years. The governing body of the county, city or unincorporated town may discontinue the levy before it expires and may not thereafter reimpose it in whole or in part without following the procedure required for its original imposition set forth in subsection 2.~~

~~4. A special election may be held pursuant to subsection 2 only if the governing body of the county, city or unincorporated town determines, by a unanimous vote, that an emergency exists. The determination made by the governing body is conclusive unless it is shown that the governing body acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the governing body must be commenced within 15 days after the governing body's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the governing body of the county, city or unincorporated town to prevent or mitigate a substantial financial loss to the county, city or unincorporated town or to enable the governing body to provide an essential service to the residents of the county, city or unincorporated town.} *(Deleted by amendment.)*~~

Sec. 3. NRS 361.4726 is hereby amended to read as follows:

361.4726 1. Except as otherwise provided by specific statute, if any legislative act which becomes effective after April 6, 2005, imposes a duty on a taxing entity to levy a new ad valorem tax or to increase the rate of an existing ad valorem tax, the amount of the new tax or increase in the rate of the existing tax is exempt from each partial abatement from taxation provided pursuant to NRS 361.4722, 361.4723 and 361.4724.

2. *The amount of any ad valorem tax imposed pursuant to subsection 2 of NRS 354.59818 is exempt from each partial abatement from taxation provided pursuant to NRS 361.4722, 361.4723 and 361.4724.*

3. For the purposes of this section, "taxing entity" does not include the State.

Sec. 4. This act becomes effective on July 1, 2007.

Senator McGinness moved the adoption of the amendment.

Remarks by Senators McGinness, Titus and Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 159.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 194.

"SUMMARY—Revises provisions governing collection agencies. (BDR 54-541)"

"AN ACT relating to collection agencies; removing an exemption related to licensing for certain foreign collection agencies; revising certain qualifications for licensure as a collection agency or collection agent; limiting the activities of certain foreign collection agencies; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law exempts certain persons from obtaining a collection agency license in Nevada if certain conditions are met. (NRS 649.075) Section 1 of this bill removes that exemption and requires all such persons to either register as a foreign collection agency or obtain a regular license.

Existing law requires each applicant for a license as a collection agency or collection agent to submit proof of certain information to the Commissioner of Financial Institutions, including, without limitation, proof that the applicant will maintain one or more offices in this State for the transaction of the business of his collection agency. (NRS 649.085) Section 1.5 of this act allows the applicant to satisfy this requirement by submitting proof that the applicant will maintain one or more such offices in another state.

Section 2 of this bill removes the requirement that a person must hold a license in another state in order to be registered as a foreign collection agency in Nevada. (NRS 649.171)

Existing law states that a registered foreign collection agency must annually submit proof that it will not solicit business in this State. (NRS 649.171) Section 2 of this bill adds the requirement that such an agency also must submit annually proof that it will not respond to any bids, proposals or invitations for business in this State ~~and~~ under certain circumstances. Section 2 also limits the activities of such an agency to collecting from residents of this State on behalf of residents of another state.

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

Section 1. NRS 649.075 is hereby amended to read as follows:

649.075 1. Except as otherwise provided in this section, a person shall not conduct within this State a collection agency or engage within this State in the business of collecting claims for others, or of soliciting the right to collect or receive payment for another of any claim, or advertise ~~and~~ or solicit, either in print, by letter, in person or otherwise, the right to collect or receive payment for another of any claim, or seek to make collection or obtain payment of any claim on behalf of another without having first applied for and obtained a license from the Commissioner.

2. ~~A person is not required to obtain a license if:~~

- ~~(a) The collection agency he works for is located outside of this State;~~
- ~~(b) His activities in this State are limited to the collection of claims from residents of this State on behalf of residents of another state; and~~
- ~~(c) His contact with persons in this State is limited to interstate communications by telephone, mail or facsimile.~~

~~3.} A person is not required to obtain a license if the person holds a certificate of registration as a foreign collection agency issued by the Commissioner pursuant to NRS 649.171.~~

Sec. 1.5. NRS 649.085 is hereby amended to read as follows:

649.085 Every individual applicant, every officer and director of a corporate applicant, and every member of a firm or partnership applicant for a license as a collection agency or collection agent must submit proof satisfactory to the Commissioner that he:

1. Is a citizen of the United States or lawfully entitled to remain and work in the United States.
2. Has a good reputation for honesty, trustworthiness and integrity and is competent to transact the business of a collection agency in a manner which protects the interests of the general public.
3. Has not had a collection agency license suspended or revoked within the 10 years immediately preceding the date of the application.
4. Has not been convicted of, or entered a plea of nolo contendere to:
 - (a) A felony relating to the practice of collection agencies or collection agents; or
 - (b) Any crime involving fraud, misrepresentation or moral turpitude.
5. Has not made a false statement of material fact on his application.
6. Will maintain one or more offices in this State or one or more offices in another state for the transaction of the business of his collection agency.
7. Has established a plan to ensure that his collection agency will provide the services of a collection agency adequately and efficiently.

Sec. 2. NRS 649.171 is hereby amended to read as follows:

649.171 1. A person who is not licensed in this State as a collection agency may apply to the Commissioner for a certificate of registration as a foreign collection agency.

2. To be issued and to hold a certificate of registration as a foreign collection agency, a person:

- (a) ~~Must hold a license or permit to do business as a collection agency in another state;~~
- ~~(b)}~~ Must meet the qualifications to do business as a collection agency in this State;
- ~~(c)}~~ (b) Must not have any employees or agents present in this State who engage in the collection of claims and must not maintain any business locations in this State as a collection agency;
- ~~(d)}~~ (c) Must submit proof to the Commissioner, upon application and upon each annual renewal of the ~~certification~~ certificate of registration, that the person and his employees and agents will not, in this State:

(1) Engage in the business of soliciting the right to collect or receive payment for another of any claim; ~~for~~

(2) Respond to a bid, proposal or invitation for the right to collect or receive payment for another of any claim ~~for~~, unless the bid, proposal or invitation is for the collection of claims owed by residents of another state;
or

(3) Advertise or solicit, either in print, by letter, in person or otherwise, the right to collect or receive payment for another of any claim;

~~(e)~~ (d) When collecting claims against debtors who are present in this State, must:

(1) Limit his activities and those of his employees and agents to interstate communications by telephone, mail or facsimile; ~~and~~

(2) Limit his activities and those of his employees and agents to the collection of claims from residents of this State on behalf of residents of another state; and

(3) Comply with the requirements of NRS 649.305 to 649.375, inclusive, with regard to his activities and those of his employees and agents;

~~(f)~~ (e) Must pay:

(1) A fee to apply for a certificate of registration of not less than \$200 and not more than \$600, prorated on the basis of the registration year as determined by the Commissioner; and

(2) An annual renewal fee of not more than \$200;

~~(g)~~ (f) Must deposit and maintain a bond or an appropriate substitute for the bond in the same manner as an applicant or licensee pursuant to NRS 649.105, 649.115 and 649.119;

~~(h)~~ (g) Must maintain his accounts, books and records in accordance with generally accepted accounting principles and in accordance with the requirements of subsection 1 of NRS 649.335; and

~~(i)~~ (h) Must pay any fees related to any examination of his accounts, books and records conducted by the Commissioner pursuant to subsection 3.

3. The Commissioner may conduct an annual examination and any additional examinations pursuant to NRS 649.335 of the accounts, books and records of each person who holds a certificate of registration as a foreign collection agency.

4. The Commissioner may take disciplinary action pursuant to NRS 649.385, 649.390 and 649.395 against a person who holds a certificate of registration as a foreign collection agency for any act or omission that would be grounds for taking such disciplinary action under those sections.

5. The Commissioner shall adopt:

(a) Regulations establishing the amount of the fees required pursuant to this section; and

(b) Any other regulations as may be necessary to carry out the provisions of this section.

Sec. 3. ~~This~~

1. *This section and sections 1.5 and 2 of this act ~~becomes~~ become effective ~~on July 1, 2007,~~ upon passage and approval.*

2. *Section 1 of this act becomes effective on January 1, 2008.*

Senator Carlton moved the adoption of the amendment.

Remarks by Senator Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 200.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 305.

"SUMMARY—Extends the duration of certain redevelopment plans. (BDR 22-358)"

"AN ACT relating to redevelopment; extending the duration of certain redevelopment plans; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides that a redevelopment plan adopted by a redevelopment agency before July 1, 1987, terminates at the end of the fiscal year in which the principal and interest of the last maturing securities issued before that date concerning the redevelopment area are fully paid, or 45 years after the date on which the original redevelopment plan was adopted, whichever is later. (NRS 279.438) A redevelopment plan adopted on or after July 1, 1987, terminates not later than 30 years after the date on which the original redevelopment plan was adopted. (NRS 279.439)

This bill ~~repeals the 30-year limitation on the duration of redevelopment plans adopted on or after July 1, 1987, and~~ makes applicable ~~to any existing such plans and~~ to any redevelopment plans adopted ~~in the future~~ on or after July 1, 1987, but before January 1, 1991, the more lengthy durational limits currently applicable to redevelopment plans adopted before July 1, 1987.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN

SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 279.438 is hereby amended to read as follows:

279.438 A redevelopment plan adopted before ~~July 1, 1987,~~ January 1, 1991, and any amendments to the plan must terminate at the end of the fiscal year in which the principal and interest of the last maturing of the securities issued before that date concerning the redevelopment area are fully paid or 45 years after the date on which the original redevelopment plan was adopted, whichever is later.

Sec. 2. NRS 279.439 is hereby amended to read as follows:

279.439 A redevelopment plan adopted on or after ~~July 1, 1987,~~ January 1, 1991, and any amendments to the plan must terminate not later

than 30 years after the date on which the original redevelopment plan is adopted.

~~[Sec. 2.] Sec. 3. [NRS 279.676 is hereby amended to read as follows:~~

~~279.676 1. Any redevelopment plan may contain a provision that taxes, if any, levied upon taxable property in the redevelopment area each year by or for the benefit of the State, any city, county, district or other public corporation, after the effective date of the ordinance approving the redevelopment plan, must be divided as follows:~~

~~(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the redevelopment area as shown upon the assessment roll used in connection with the taxation of the property by the taxing agency, last equalized before the effective date of the ordinance, must be allocated to and when collected must be paid into the funds of the respective taxing agencies as taxes by or for such taxing agencies on all other property are paid. To allocate taxes levied by or for any taxing agency or agencies which did not include the territory in a redevelopment area on the effective date of the ordinance but to which the territory has been annexed or otherwise included after the effective date, the assessment roll of the county last equalized on the effective date of the ordinance must be used in determining the assessed valuation of the taxable property in the redevelopment area on the effective date. If property which was shown on the assessment roll used to determine the amount of taxes allocated to the taxing agencies is transferred to the State and becomes exempt from taxation, the assessed valuation of the exempt property as shown on the assessment roll last equalized before the date on which the property was transferred to the State must be subtracted from the assessed valuation used to determine the amount of revenue allocated to the taxing agencies.~~

~~(b) Except as otherwise provided in paragraphs (c) and (d) and NRS 540A.265, that portion of the levied taxes each year in excess of the amount set forth in paragraph (a) must be allocated to and when collected must be paid into a special fund of the redevelopment agency to pay the costs of redevelopment and to pay the principal of and interest on loans, money advanced to, or indebtedness, whether funded, refunded, assumed, or otherwise, incurred by the redevelopment agency to finance or refinance, in whole or in part, redevelopment. Unless the total assessed valuation of the taxable property in a redevelopment area exceeds the total assessed value of the taxable property in the redevelopment area as shown by the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan, less the assessed valuation of any exempt property subtracted pursuant to paragraph (a), all of the taxes levied and collected upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies. When the redevelopment plan is terminated pursuant to the provisions of NRS 279.438 [and 279.439] and all~~

~~loans, advances and indebtedness, if any, and interest thereon, have been paid, all money thereafter received from taxes upon the taxable property in the redevelopment area must be paid into the funds of the respective taxing agencies as taxes on all other property are paid.~~

~~(c) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a tax rate levied by a taxing agency to produce revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness that was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the debt service fund of that taxing agency.~~

~~(d) That portion of the taxes in excess of the amount set forth in paragraph (a) that is attributable to a new or increased tax rate levied by a taxing agency and was approved by the voters of the taxing agency on or after November 5, 1996, must be allocated to and when collected must be paid into the appropriate fund of the taxing agency.~~

~~2. Except as otherwise provided in subsection 3, in any fiscal year, the total revenue paid to a redevelopment agency must not exceed:~~

~~(a) In a municipality whose population is 100,000 or more, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 10 percent of the total assessed valuation of the municipality.~~

~~(b) In a municipality whose population is 25,000 or more but less than 100,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 15 percent of the total assessed valuation of the municipality.~~

~~(c) In a municipality whose population is less than 25,000, an amount equal to the combined tax rates of the taxing agencies for that fiscal year multiplied by 20 percent of the total assessed valuation of the municipality.~~

~~➤ If the revenue paid to a redevelopment agency must be limited pursuant to paragraph (a), (b) or (c) and the redevelopment agency has more than one redevelopment area, the redevelopment agency shall determine the allocation to each area. Any revenue which would be allocated to a redevelopment agency but for the provisions of this section must be paid into the funds of the respective taxing agencies.~~

~~3. The taxing agencies shall continue to pay to a redevelopment agency any amount which was being paid before July 1, 1987, and in anticipation of which the agency became obligated before July 1, 1987, to repay any bond, loan, money advanced or any other indebtedness, whether funded, refunded, assumed or otherwise incurred.~~

~~4. For the purposes of this section, the assessment roll last equalized before the effective date of the ordinance approving the redevelopment plan is the assessment roll in existence on March 15 immediately preceding the effective date of the ordinance. (Deleted by amendment.)~~

~~{Sec. 3.} Sec. 4. [NRS 279.439 is hereby repealed.] (Deleted by amendment.)~~

~~{Sec. 4.} Sec. 5. [The provisions of NRS 279.438, as amended by section 1 of this act, apply to any redevelopment plan adopted on or after July 1, 1987, that is in effect on July 1, 2007, and to any redevelopment plan initially adopted on or after July 1, 2007.] (Deleted by amendment.)~~

~~{Sec. 5.} Sec. 6. This act becomes effective on July 1, 2007.~~

~~TEXT OF REPEALED SECTION~~

~~279.439 Termination of redevelopment plan adopted on or after July 1, 1987, and amendments to plan.—A redevelopment plan adopted on or after July 1, 1987, and any amendments to the plan must terminate not later than 30 years after the date on which the original redevelopment plan is adopted.~~

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 211.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 408.

"SUMMARY—Authorizes deductions from the state taxes on financial institutions and other businesses for certain expenditures by employers for the provision of day care to the children of their employees. (BDR 32-676)"

"AN ACT relating to the taxation of businesses; authorizing deductions from the state taxes on financial institutions and other businesses for certain expenditures by employers for the provision of day care to the children of their employees; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law imposes excise taxes on financial institutions and other businesses based upon the amount of wages they pay to their employees each calendar quarter. (NRS 363A.130, 363B.110) Existing law authorizes deductions from these taxes for certain amounts paid for health insurance and health benefit plans for employees and their dependents. (NRS 363A.135, 363B.115)

This bill authorizes additional deductions from these taxes for certain amounts paid for the provision of day care to the children of employees. This bill allows any unused amount of such a deduction to be carried forward each calendar quarter until exhausted and requires an employer who claims such a deduction to provide an explanation and appropriate documentation of the amount claimed upon the request of the Department of Taxation.

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

Section 1. Chapter 363A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the*

excise tax is imposed pursuant to NRS 363A.130 any amount authorized pursuant to this section that is paid by the employer for day care for the children of its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

(a) For an employer that provides on-site day care without charge to its employees, the reasonable and necessary costs for designing, constructing, maintaining, repairing and operating the facilities and services for such on-site day care, including the costs of:

(1) Professional services, labor and materials used or consumed in the design, construction, maintenance and repair of those facilities;

(2) Wages, salaries, compensation and benefits for the employees or independent contractors who operate those facilities;

(3) Personal property and supplies used or consumed in the operation of those facilities;

(4) ~~[(5)] The depreciation of real and personal property used in the operation of those facilities;~~

~~[(5)]~~ (5) Lease and rental payments for the space used in the operation of those facilities;

~~[(6)]~~ (5) Utility payments for the space used in the operation of those facilities;

~~[(7)]~~ (6) Property and casualty insurance associated with the operation of those facilities;

~~[(8)]~~ (7) Fees for any inspections, licenses, permits and other approvals required by law for the operation of those facilities; and

~~[(9)]~~ (8) Any other appropriate expenses, as determined by the Department.

(b) For an employer that pays for off-site day care or reimburses its employees for off-site day care, the reasonable and necessary costs for such off-site day care, as determined by the Department.

2. An employer may not deduct from the wages upon which the excise tax is imposed pursuant to NRS 363A.130:

(a) Any amounts deducted from the wages of employees for day care; or

(b) Any payments made by employees for day care, except for the reasonable and necessary costs for off-site day care, as determined by the Department, which are reimbursed by the employer.

3. As used in this section:

(a) "Child" means a person under the age of 18 years who:

(1) Is related to an employee by blood, marriage or adoption within the third degree of consanguinity or affinity; or

(2) Is a stepchild, foster child, ward or dependent of an employee,
 ↪ and who resides in the same household as the employee.

(b) "Day care" means the provision of day care services to a child in compliance with all federal, state and local laws and regulations governing the licensure and regulation of child care facilities and services.

(c) "Employee" means an employee whose wages are included within the measure of the excise tax imposed upon an employer by NRS 363A.130.

(d) "Off-site day care" means day care provided to a child of an employee at a location other than the place of employment.

(e) "On-site day care" means day care provided to a child of an employee at the place of employment.

Sec. 3. 1. If the amount of the deductions allowed pursuant to NRS 363A.135 and section 2 of this act to an employer for a calendar quarter exceeds the amount of reported wages for that calendar quarter, the excess amount of those deductions may be carried forward to the following calendar quarter until the deductions are exhausted.

2. An employer claiming a deduction allowed pursuant to NRS 363A.135 or section 2 of this act shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.

Sec. 4. NRS 363A.135 is hereby amended to read as follows:

363A.135 1. Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant NRS 363A.130 any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

(a) For a self-insured employer, all amounts paid during the calendar quarter for claims, direct administrative services costs, including such services provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. An employer is not authorized to deduct the costs of a program of self-insurance unless the program is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.

(b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for employees.

(c) Any amounts which are:

(1) Paid by an employer to a Taft-Hartley trust which:

(I) Is formed pursuant to 29 U.S.C. § 186(c)(5); and

(II) Qualifies as an employee welfare benefit plan; and

(2) Considered by the Internal Revenue Service to be fully tax deductible pursuant to the provisions of the Internal Revenue Code.

(d) Such other similar payments for health care or insurance for health care for employees as are authorized by the Department.

2. An employer may not deduct from the wages upon which the excise tax is imposed pursuant to NRS 363A.130:

(a) Amounts paid for health care or premiums paid for insurance for an industrial injury or occupational disease for which coverage is required pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for such health care or insurance.

~~3. If the amount of the deduction allowed pursuant to this section to an employer for a calendar quarter exceeds the amount of reported wages for that calendar quarter, the excess amount of that deduction may be carried forward to the following calendar quarter until the deduction is exhausted. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.~~

~~4.]~~ As used in this section:

(a) "Claims" means claims for those categories of health care expenses that are generally deductible by employees on their individual federal income tax returns pursuant to the provisions of 26 U.S.C. § 213 and any federal regulations relating thereto, if those expenses had been borne directly by those employees.

(b) "Direct administrative services costs" means, if borne directly by a self-insured employer and reasonably allocated to the direct administration of claims:

(1) Payments for medical or office supplies that will be consumed in the course of the provision of medical care or the direct administration of claims;

(2) Payments to third-party administrators or independent contractors for the provision of medical care or the direct administration of claims;

(3) Rent and utility payments for the maintenance of medical or office space used for the provision of medical care or the direct administration of claims;

(4) Payments for the maintenance, repair and upkeep of medical or office space used for the provision of medical care or the direct administration of claims;

(5) Salaries and wages paid to medical, clerical and administrative staff and other personnel employed to provide medical care or directly to administer claims; and

(6) The depreciation of property other than medical or office supplies, used for the provision of medical care or the direct administration of claims.

(c) "Employee welfare benefit plan" has the meaning ascribed to it in 29 U.S.C. § 1002.

(d) "Employees" means employees whose wages are included within the measure of the excise tax imposed upon an employer by NRS 363A.130, and their spouses, children and other dependents who qualify for coverage under the terms of the health insurance or health benefit plan provided by that employer.

(e) "Health benefit plan" means a health benefit plan that covers only those categories of health care expenses that are generally deductible by employees on their individual federal income tax returns pursuant to the provisions of 26 U.S.C. § 213 and any federal regulations relating thereto, if those expenses had been borne directly by those employees.

(f) "Self-insured employer" means an employer that provides a program of self-insurance for its employees.

Sec. 5. Chapter 363B of NRS is hereby amended by adding thereto the provisions set forth as sections 6 and 7 of this act.

Sec. 6. 1. *Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363B.110 any amount authorized pursuant to this section that is paid by the employer for day care for the children of its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:*

(a) *For an employer that provides on-site day care without charge to its employees, the reasonable and necessary costs for designing, constructing, maintaining, repairing and operating the facilities and services for such on-site day care, including the costs of:*

(1) *Professional services, labor and materials used or consumed in the design, construction, maintenance and repair of those facilities;*

(2) *Wages, salaries, compensation and benefits for the employees or independent contractors who operate those facilities;*

(3) *Personal property and supplies used or consumed in the operation of those facilities;*

(4) ~~*The depreciation of real and personal property used in the operation of those facilities;*~~

~~(5)~~ *Lease and rental payments for the space used in the operation of those facilities;*

~~(6)~~ *(5) Utility payments for the space used in the operation of those facilities;*

~~(7)~~ *(6) Property and casualty insurance associated with the operation of those facilities;*

~~(8)~~ *(7) Fees for any inspections, licenses, permits and other approvals required by law for the operation of those facilities; and*

~~(9)~~ *(8) Any other appropriate expenses, as determined by the Department.*

(b) *For an employer that pays for off-site day care or reimburses its employees for off-site day care, the reasonable and necessary costs for such off-site day care, as determined by the Department.*

2. *An employer may not deduct from the wages upon which the excise tax is imposed pursuant to NRS 363B.110:*

(a) *Any amounts deducted from the wages of employees for day care; or*

(b) Any payments made by employees for day care, except for the reasonable and necessary costs for off-site day care, as determined by the Department, which are reimbursed by the employer.

3. As used in this section:

(a) "Child" means a person under the age of 18 years who:

(1) Is related to an employee by blood, marriage or adoption within the third degree of consanguinity or affinity; or

(2) Is a stepchild, foster child, ward or dependent of an employee,
 ↪ and who resides in the same household as the employee.

(b) "Day care" means the provision of day care services to a child in compliance with all federal, state and local laws and regulations governing the licensure and regulation of child care facilities and services.

(c) "Employee" means an employee whose wages are included within the measure of the excise tax imposed upon an employer by NRS 363B.110.

(d) "Off-site day care" means day care provided to a child of an employee at a location other than the place of employment.

(e) "On-site day care" means day care provided to a child of an employee at the place of employment.

Sec. 7. 1. If the amount of the deductions allowed pursuant to NRS 363B.115 and section 6 of this act to an employer for a calendar quarter exceeds the amount of reported wages for that calendar quarter, the excess amount of those deductions may be carried forward to the following calendar quarter until the deductions are exhausted.

2. An employer claiming a deduction allowed pursuant to NRS 363B.115 or section 6 of this act shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.

Sec. 8. NRS 363B.115 is hereby amended to read as follows:

363B.115 1. Except as otherwise provided in subsection 2, an employer may deduct from the total amount of wages reported and upon which the excise tax is imposed pursuant to NRS 363B.110 any amount authorized pursuant to this section that is paid by the employer for health insurance or a health benefit plan for its employees in the calendar quarter for which the tax is paid. The amounts for which the deduction is allowed include:

(a) For a self-insured employer, all amounts paid during the calendar quarter for claims, direct administrative services costs, including such services provided by the employer, and any premiums paid for individual or aggregate stop-loss insurance coverage. An employer is not authorized to deduct the costs of a program of self-insurance unless the program is a qualified employee welfare benefit plan pursuant to the Employee Retirement Income Security Act of 1974, 29 U.S.C. §§ 1001 et seq.

(b) The premiums for a policy of health insurance or reinsurance for a health benefit plan for employees.

(c) Any amounts which are:

(1) Paid by an employer to a Taft-Hartley trust which:

(I) Is formed pursuant to 29 U.S.C. § 186(c)(5); and

(II) Qualifies as an employee welfare benefit plan; and

(2) Considered by the Internal Revenue Service to be fully tax deductible pursuant to the provisions of the Internal Revenue Code.

(d) Such other similar payments for health care or insurance for health care for employees as are authorized by the Department.

2. An employer may not deduct from the wages upon which the excise tax is imposed pursuant to NRS 363B.110:

(a) Amounts paid for health care or premiums paid for insurance for an industrial injury or occupational disease for which coverage is required pursuant to chapters 616A to 616D, inclusive, or 617 of NRS; or

(b) Any payments made by employees for health care or health insurance or amounts deducted from the wages of employees for such health care or insurance.

3. ~~If the amount of the deduction allowed pursuant to this section to an employer for a calendar quarter exceeds the amount of reported wages for that calendar quarter, the excess amount of that deduction may be carried forward to the following calendar quarter until the deduction is exhausted. An employer claiming the deduction allowed pursuant to this section shall, upon the request of the Department, explain the amount claimed to the satisfaction of the Department and provide the Department with such documentation as the Department deems appropriate for that purpose.~~

4. As used in this section:

(a) "Claims" means claims for those categories of health care expenses that are generally deductible by employees on their individual federal income tax returns pursuant to the provisions of 26 U.S.C. § 213 and any federal regulations relating thereto, if those expenses had been borne directly by those employees.

(b) "Direct administrative services costs" means, if borne directly by a self-insured employer and reasonably allocated to the direct administration of claims:

(1) Payments for medical or office supplies that will be consumed in the course of the provision of medical care or the direct administration of claims;

(2) Payments to third-party administrators or independent contractors for the provision of medical care or the direct administration of claims;

(3) Rent and utility payments for the maintenance of medical or office space used for the provision of medical care or the direct administration of claims;

(4) Payments for the maintenance, repair and upkeep of medical or office space used for the provision of medical care or the direct administration of claims;

(5) Salaries and wages paid to medical, clerical and administrative staff and other personnel employed to provide medical care or directly to administer claims; and

(6) The depreciation of property other than medical or office supplies, used for the provision of medical care or the direct administration of claims.

(c) "Employee welfare benefit plan" has the meaning ascribed to it in 29 U.S.C. § 1002.

(d) "Employees" means employees whose wages are included within the measure of the excise tax imposed upon an employer by NRS 363B.110, and their spouses, children and other dependents who qualify for coverage under the terms of the health insurance or health benefit plan provided by that employer.

(e) "Health benefit plan" means a health benefit plan that covers only those categories of health care expenses that are generally deductible by employees on their individual federal income tax returns pursuant to the provisions of 26 U.S.C. § 213 and any federal regulations relating thereto, if those expenses had been borne directly by those employees.

(f) "Self-insured employer" means an employer that provides a program of self-insurance for its employees.

Sec. 9. This act becomes effective on ~~July 1, 2007~~ January 1, 2008.

Senator McGinness moved the adoption of the amendment.

Remarks by Senator McGinness.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 263.

Bill read second time.

The following amendment was proposed by the Committee on Transportation and Homeland Security:

Amendment No. 161.

"SUMMARY—Makes various changes to provisions governing the registration of motor vehicles. (BDR 43-340)"

"AN ACT relating to motor vehicles; providing for the licensure of private entities to register motor vehicles and prepare the necessary documents for the issuance of certificates of title; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides that every owner of a motor vehicle intended to be operated upon any highway in this State must be registered by the Department of Motor Vehicles or a registered dealer. (NRS 482.205) Existing law also provides that upon the request of a new car dealer, the Department may authorize the new car dealer to accept applications for registration on new cars sold by the dealer, but the dealer is prohibited from charging an additional fee or receiving compensation from the Department for the service. (NRS 482.216) Sections 2 and 3 of this bill authorize a

private registration service to issue a certificate of registration for a motor vehicle and to perform other services relating to registration and title preparation. Sections 5-17 of this bill provide the requirements for a registration service to obtain a license from the Department to operate such a business.

Existing law provides that the Department may grant approval to a financial institution or a new or used car dealer to submit documents required for the issuance or renewal of registrations for vehicles in this State electronically. (NRS 482.293, 482.294) Sections 29 and 30 of this bill provide that a registration service may apply for approval to submit registration documents electronically.

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

Section 1. Chapter 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 17, inclusive, of this act.

Sec. 2. *"Registration service" means a business licensed pursuant to section 5 of this act to perform the functions relating to registering a motor vehicle and issuing or transferring the title of a motor vehicle as authorized in section 3 of this act.*

Sec. 3. 1. *A registration service may:*

(a) *Accept an application to register or renew the registration of a new or used motor vehicle and may collect the related fees and taxes;*

(b) *Accept an application to transfer the registration of a motor vehicle pursuant to NRS 482.399;*

(c) *Accept an application, collect the related fees and prepare any documentation necessary for the issuance or transfer of a certificate of title;*

(d) *Issue a certificate of registration to an applicant who satisfies the requirements of this chapter for the issuance of such a certificate; and*

(e) *Charge a fee for the performance of registration services.*

2. *A registration service shall:*

(a) *Transmit any application it receives pursuant to subsection 1 to the Department within the period prescribed by the Department;*

(b) *Transmit any fees and taxes it collects pursuant to subsection 1 to the Department and properly account for them within the period prescribed by the Department;*

(c) *Obtain at its own expense any equipment necessary to issue certificates of registration, including, without limitation, computer hardware or software; and*

(d) *Pay the cost of any audit required by the Department.*

3. *A registration service shall not:*

(a) *Register the motor vehicle of the person who holds the license to operate the registration service pursuant to section 5 of this act whether the motor vehicle is for his personal use or for use in the regular course of his business; or*

(b) Accept an application for the issuance or transfer of a certificate of title for a person who holds the license to operate the registration service pursuant to section 5 of this act whether the motor vehicle is for his personal use or for use in the regular course of his business.

4. The provisions of this section do not apply to a registered dealer.

Sec. 4. 1. A person shall not operate a registration service until he obtains a license to do so pursuant to section 5 of this act.

2. A person licensed to operate a registration service shall post the license in a conspicuous place on the premises of the principal place of business of the registration service.

Sec. 5. A person may apply for a license to operate a registration service by filing an application on a form supplied by the Department. The form must identify the persons whose names are required to appear thereon. The application must include, without limitation:

1. The name and address of the principal place of business of the applicant and any branch locations;

2. Such proof as the Department deems necessary to establish that the applicant has the necessary equipment to operate a registration service;

3. A complete set of fingerprints of any person whose name is required to appear on the application and written permission authorizing the Department to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;

4. A complete set of fingerprints of any employee of the registration service who will have access to electronic transmissions pursuant to NRS 482.293 and 482.294 and written permission authorizing the Department to forward those fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for its report;

5. A fee for the processing of fingerprints as established by regulation which must not exceed the sum of the amounts charged by the Central Repository and the Federal Bureau of Investigation for processing the fingerprints;

6. A bond executed by an admitted surety company; and

7. If the applicant is a natural person, the statement required pursuant to section 13 of this act.

Sec. 6. A license issued pursuant to section 5 of this act expires 1 year after the date on which it was issued. The license may be renewed annually upon the payment of a ~~fee of \$50~~ fee established by regulation pursuant to section 7 of this act. If the applicant is a natural person, the application for renewal also must be accompanied by the statement required pursuant to section 13 of this act. The renewal application form must be provided by the Department and contain the information required by the Department.

Sec. 7. 1. The Director shall adopt regulations establishing:

(a) The amount of the fee to process fingerprints pursuant to section 5 of this act;

(b) *The amount of the fee for an application for a license to operate a registration service submitted pursuant to section 5 of this act; ~~fund~~*

(c) *The amount of the fee for the renewal of a license to operate a registration service; and*

(d) *The minimum amount for the bond that must be executed pursuant to section 5 of this act.*

2. *The Director may adopt such other regulations as he deems necessary relating to a registration service.*

3. *The Director shall take any action necessary to ensure the expedient and secure issuance of license plates, decals and certificates of title by the Department to applicants who use a registration service for the registration of a motor vehicle, the renewal of a registration, the transfer of a registration or the issuance or transfer of a certificate of title.*

Sec. 8. 1. *The Department may deny the issuance or renewal of a license to operate a registration service or may suspend or revoke such a license upon any of the following grounds:*

(a) *Material misstatement in the application.*

(b) *Evidence of unfitness of an applicant or licensee.*

(c) *Failure or refusal to provide to the Department an authorization for the disclosure of financial records for the business pursuant to section 15 of this act.*

(d) *Willful failure to comply with the laws of this State relating to registration services or a directive of the Director. For the purposes of this paragraph, failure to comply with a directive of the Director advising the licensee of his noncompliance with the laws of this State relating to registration services, within 10 days after the receipt of the directive, is prima facie evidence of willful failure to comply with the directive.*

(e) *Failure or refusal to furnish and keep in force the bond required pursuant to section 5 of this act.*

(f) *Failure or refusal by a licensee to pay or otherwise discharge a final judgment rendered and entered against him relating to the registration service.*

(g) *Failure of the licensee to maintain any license or bond required by a political subdivision of this State.*

(h) *Any other reason deemed by the Director to be in the best interests of the public.*

2. *The Director may deny the issuance or renewal of a license to operate a registration service or may suspend or revoke such a license if the Department is satisfied that the applicant or licensee is not entitled thereto.*

3. *If an application for a license is denied, the applicant may not reapply sooner than 6 months after the denial.*

Sec. 9. 1. *If a registration service does business at more than one location, it shall designate one location in each county in which it does business to be the principal place of business for that county and one name*

to be the principal name of the business. The registration service shall designate all other business locations to be branches.

2. If a registration service changes the name or location of any of its established places of business, it shall, not later than 10 days after making the change, submit to the Department such documents relating to the change as the Department by regulation requires.

Sec. 10. 1. If a registration service has one or more branches, it shall procure from the Department a license for each branch in addition to the license issued for the principal place of business.

2. The Department shall specify on each license it issues:

- (a) The name of the licensee;
- (b) The location for which the license is issued; and
- (c) The name under which the licensee does business at that location.

3. Each registration service shall post each license issued to it by the Department in a conspicuous place clearly visible to the general public at the location described in the license.

~~[4. The Department shall, by regulation, provide for the issuance of a temporary license for a licensed registration service to conduct business at a temporary location. Any such regulations must include the imposition of a reasonable fee for the issuance of the temporary license.]~~

Sec. 11. 1. The bond for the registration service required by section 5 of this act must cover the principal place of business and all branches operated by the registration service, including, without limitation, any place of business operated in this State by the registration service that is located outside the county of the principal place of business of the registration service or any place of business operated by the registration service under a different name.

2. In addition to the coverage provided by the bond pursuant to subsection 1, the registration service shall procure a separate bond for:

(a) Each place of business operated in this State by the registration service that is located outside the county of the principal place of business of the registration service; and

(b) Each place of business operated by the registration service under a different name.

Sec. 12. ~~[[1]]~~ If the amount of the liability under the bond required pursuant to section 5 of this act is decreased, or if there is a final court judgment arising out of a violation of any provision of this chapter for which the registration service is liable, the license of the registration service must be suspended. To reinstate a license that has been suspended pursuant to this section, the registration service must:

- ~~[[a]]~~ 1. File an additional bond;
- ~~[[b]]~~ 2. Restore the bond on file to the original amount; or
- ~~[[c]]~~ 3. Satisfy the outstanding judgment for which the registration service and surety are liable.

~~{2. The bond must remain in effect for not less than 3 years after the registration service ceases operating as a business.}~~

Sec. 13. 1. A natural person who applies for the issuance or renewal of a license issued pursuant to the provisions of section 5 of this act shall submit to the Department the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The Department shall include the statement required pursuant to subsection 1 in:

(a) The application or any other forms that must be submitted for the issuance or renewal of the license; or

(b) A separate form prescribed by the Department.

3. A license may not be issued or renewed by the Department pursuant to the provisions of section 5 of this act if the applicant is a natural person who:

(a) Fails to submit the statement required pursuant to subsection 1; or

(b) Indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Department shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

Sec. 14. 1. If the Department receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a license issued pursuant to section 5 of this act, the Department shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless

the Department receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

2. The Department shall reinstate a license issued pursuant to section 5 of this act that has been suspended by a district court pursuant to NRS 425.540 if the Department receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was

suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 15. 1. Upon the receipt of any report or complaint alleging that an applicant or a licensee has engaged in financial misconduct or has failed to satisfy financial obligations relating to the activity of a registration service, the Department may require the applicant or licensee to submit to the Department an authorization for the disclosure of financial records for the business as provided in NRS 239A.090. The Department may use any information obtained pursuant to such an authorization only to determine the fitness of the applicant or licensee for initial or continued licensure. Information obtained pursuant to such an authorization may be disclosed only to those employees of the Department who are authorized to issue a license to an applicant pursuant to section 5 of this act or to determine the fitness of an applicant or a licensee for such licensure.

2. Except as otherwise provided in NRS 482.555, any person who fails to submit an authorization for the disclosure of financial records pursuant to the provisions of subsection 1 is guilty of a misdemeanor.

Sec. 16. 1. A registration service shall maintain accurate business records containing:

(a) The name, address and license number of the registration service and the name and address of every employee who performs work relating to registration or title preparation;

(b) The name and address of each person who submits an application to the registration service pursuant to section 3 of this act;

(c) Information concerning each vehicle for which such an application is submitted, including, without limitation, the year, make, type, license number and vehicle identification number of each vehicle;

(d) The amount of fees collected pursuant to section 3 of this act and the method of payment used by the applicant to pay the registration service;

(e) The amount of fees remitted to the Department pursuant to section 3 of this act and the date and method of payment used by the registration service to remit such fees; and

(f) The name, signature or initials of each employee who processed any transaction for the registration service and the date on which the transaction was processed.

2. Upon completion of a transaction, the registration service shall provide the client with a document containing all the information required by subsection 1 concerning the registration of or title preparation for his vehicle except that the registration service shall not disclose the information included in paragraph (f) or the addresses of employees or the names and addresses of other clients.

3. The business records required to be maintained pursuant to this section must be maintained for at least 4 years and must be open to inspection by the Department during normal business hours.

4. *The Department may duplicate or make a record of any information contained in any of the records required in this section.*

Sec. 17. *If a registration service ceases to operate as a business for any reason, the licensee shall notify the Department, as soon as reasonably practicable, but not later than 3 business days, and, within 30 days after the notification, deliver to the Department:*

1. *The license to operate the registration service;*
2. *All records maintained pursuant to section 16 of this act;*
3. *All records of transactions in his possession, including, without limitation, any fees or receipts for fees owed to the Department or to a client; and*

4. *Any other document or item over which the Department has jurisdiction, including, without limitation, license plates and decals.*

Sec. 18. NRS 482.010 is hereby amended to read as follows:

482.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 482.0105 to 482.137, inclusive, and section 2 of this act have the meanings ascribed to them in those sections.

Sec. 19. NRS 482.175 is hereby amended to read as follows:

482.175 The Department and the officers and deputies thereof, ~~and~~ registered dealers and registration services shall examine, and to the best of their ability determine the genuineness and regularity of, every registration and transfer of registration of a vehicle as provided in this chapter, in order that every certificate issued for a vehicle must contain true statements of the ownership thereof, and to prevent the registration of a vehicle by any person not entitled thereto. The Department, ~~or~~ a registered dealer or a registration service may require any applicant to furnish such information in addition to that contained in the application as may be necessary to satisfy the Department of the truth and regularity of the application.

Sec. 20. NRS 482.205 is hereby amended to read as follows:

482.205 Except as otherwise provided in this chapter, every owner of a motor vehicle, trailer or semitrailer intended to be operated upon any highway in this State shall, before the motor vehicle, trailer or semitrailer can be operated, apply to the Department, ~~or~~ a registered dealer or a registration service for and obtain the registration thereof.

Sec. 21. NRS 482.206 is hereby amended to read as follows:

482.206 1. Except as otherwise provided in this section, every motor vehicle, except for a motor vehicle that is registered pursuant to the provisions of NRS 706.801 to 706.861, inclusive, or which is a motor vehicle with a declared gross weight in excess of 26,000 pounds, must be registered for a period of 12 consecutive months beginning the day after the first registration by the owner in this State.

2. Every vehicle registered by an agent of the Department, ~~or~~ a registered dealer or a registration service must be registered for 12 consecutive months beginning the first day of the month after the first registration by the owner in this State.

3. Upon the application of the owner of a fleet of vehicles, the Director may permit him to register his fleet on the basis of a calendar year.

4. When the registration of any vehicle is transferred pursuant to NRS 482.399, the expiration date of each regular license plate, special license plate or substitute decal must, at the time of the transfer of registration, be advanced for a period of 12 consecutive months beginning:

(a) The first day of the month after the transfer, if the vehicle is transferred by an agent of the Department; or

(b) The day after the transfer in all other cases,

↪ and a credit on the portion of the fee for registration and the governmental services tax attributable to the remainder of the current period of registration must be allowed pursuant to the applicable provisions of NRS 482.399.

Sec. 22. NRS 482.215 is hereby amended to read as follows:

482.215 1. All applications for registration, except applications for renewal of registration, must be made as provided in this section.

2. Except as otherwise provided in NRS 482.294, applications for all registrations, except renewals of registration, must be made in person, if practicable, to any office or agent of the Department or to a registered dealer ~~or~~ *or registration service*.

3. Each application must be made upon the appropriate form furnished by the Department and contain:

(a) The signature of the owner, except as otherwise provided in subsection 2 of NRS 482.294, if applicable.

(b) His residential address.

(c) His declaration of the county where he intends the vehicle to be based, unless the vehicle is deemed to have no base. The Department shall use this declaration to determine the county to which the governmental services tax is to be paid.

(d) A brief description of the vehicle to be registered, including the name of the maker, the engine, identification or serial number, whether new or used, and the last license number, if known, and the state in which it was issued, and upon the registration of a new vehicle, the date of sale by the manufacturer or franchised and licensed dealer in this State for the make to be registered to the person first purchasing or operating the vehicle.

(e) Except as otherwise provided in this paragraph, if the applicant is not an owner of a fleet of vehicles or a person described in subsection 5, a declaration signed by the applicant that he has provided the insurance required by NRS 485.185 and will maintain the insurance during the period of registration. If the application is submitted by electronic means pursuant to NRS 482.294, the applicant is not required to sign the declaration required by this paragraph.

(f) If the applicant is an owner of a fleet of vehicles or a person described in subsection 5, evidence of insurance:

(1) In the form of a certificate of insurance on a form approved by the Commissioner of Insurance;

(2) In the form of a card issued pursuant to NRS 690B.023 which identifies the vehicle and indicates, at the time of application for registration, coverage which meets the requirements of NRS 485.185; or

(3) In another form satisfactory to the Department.

↪ The Department may file that evidence, return it to the applicant or otherwise dispose of it.

(g) If required, evidence of the applicant's compliance with controls over emission.

4. The application must contain such other information as is required by the Department, ~~{or}~~ registered dealer *or registration service* and must be accompanied by proof of ownership satisfactory to the Department.

5. For purposes of the evidence required by paragraph (f) of subsection 3:

(a) Vehicles which are subject to the fee for a license and the requirements of registration of the Interstate Highway User Fee Apportionment Act, and which are based in this State, may be declared as a fleet by the registered owner thereof on his original application for or application for renewal of a proportional registration. The owner may file a single certificate of insurance covering that fleet.

(b) Other fleets composed of 10 or more vehicles based in this State or vehicles insured under a blanket policy which does not identify individual vehicles may each be declared annually as a fleet by the registered owner thereof for the purposes of an application for his original or any renewed registration. The owner may file a single certificate of insurance covering that fleet.

(c) A person who qualifies as a self-insurer pursuant to the provisions of NRS 485.380 may file a copy of his certificate of self-insurance.

(d) A person who qualifies for an operator's policy of liability insurance pursuant to the provisions of NRS 485.186 and 485.3091 may file evidence of that insurance.

Sec. 23. NRS 482.230 is hereby amended to read as follows:

482.230 The Department, ~~{or}~~ a registered dealer *or a registration service* shall not grant an application for the registration of a vehicle in any of the following events:

1. When the applicant therefor is not entitled thereto pursuant to the provisions of this chapter.

2. When the applicant has neglected or refused to furnish the Department, ~~{or}~~ registered dealer *or registration service* with the information required in the appropriate official form or reasonable additional information required by the Department, ~~{or}~~ registered dealer ~~{}~~ *or registration service*.

3. When the fees required therefor by law have not been paid.

Sec. 24. NRS 482.235 is hereby amended to read as follows:

482.235 1. The Department shall file each application received and register the vehicle therein described and the owner thereof in suitable books or on index cards as follows:

(a) Under a distinctive registration number assigned to the vehicle and to the owner thereof, referred to in this chapter as the registration number.

(b) Alphabetically under the name of the owner.

(c) Numerically under the serial or vehicle identification number of the vehicle or a permanent identifying number, as may be determined by the Department.

2. A registered dealer *or registration service* who registers a vehicle shall assign a registration number for that vehicle according to a list of registration numbers issued by the Department for use by that dealer ~~+~~ *or registration service*.

Sec. 25. NRS 482.240 is hereby amended to read as follows:

482.240 1. Upon the registration of a vehicle, the Department, ~~+~~ a registered dealer *or a registration service* shall issue a certificate of registration to the owner.

2. When an applicant for registration or transfer of registration is unable, for any reason, to submit to the Department in support of the application for registration, or transfer of registration, such documentary evidence of legal ownership as, in the opinion of the Department, is sufficient to establish the legal ownership of the vehicle concerned in the application for registration or transfer of registration, the Department may issue to the applicant only a certificate of registration.

3. The Department may, upon proof of ownership satisfactory to it, issue a certificate of title before the registration of the vehicle concerned. The certificate of registration issued pursuant to this chapter is valid only during the registration period or calendar year for which it is issued, and a certificate of title is valid until cancelled by the Department upon the transfer of interest therein.

Sec. 26. NRS 482.260 is hereby amended to read as follows:

482.260 1. When registering a vehicle, the Department, ~~and~~ its agents, ~~+~~ a registered dealer *or a registration service* shall:

(a) Collect the fees for license plates and registration as provided for in this chapter.

(b) Except as otherwise provided in NRS 482.321, collect the governmental services tax on the vehicle, as agent for the county where the applicant intends to base the vehicle for the period of registration, unless the vehicle is deemed to have no base.

(c) Collect the applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.

(d) Issue a certificate of registration.

(e) If the registration is performed by the Department, issue the regular license plate or plates.

(f) If the registration is performed by a registered dealer ~~+~~ *or registration service*, provide information to the owner regarding the manner in which the regular license plate or plates will be made available to him.

2. Upon proof of ownership satisfactory to the Director, he shall cause to be issued a certificate of title as provided in this chapter.

3. Except as otherwise provided in NRS 371.070, every vehicle being registered for the first time in Nevada must be taxed for the purposes of the governmental services tax for a 12-month period.

4. The Department shall deduct and withhold 2 percent of the taxes collected pursuant to paragraph (c) of subsection 1 and remit the remainder to the Department of Taxation.

5. A registered dealer *or registration service* shall forward all fees and taxes collected for the registration of vehicles to the Department.

Sec. 27. NRS 482.280 is hereby amended to read as follows:

482.280 1. The registration of every vehicle expires at midnight on the day specified on the receipt of registration, unless the day specified falls on a Saturday, Sunday or legal holiday. If the day specified on the receipt of registration is a Saturday, Sunday or legal holiday, the registration of the vehicle expires at midnight on the next judicial day. The Department shall mail to each holder of a certificate of registration an application for renewal of registration for the following period of registration. The applications must be mailed by the Department in sufficient time to allow all applicants to mail the applications to the Department and to receive new certificates of registration and license plates, stickers, tabs or other suitable devices by mail before the expiration of their registrations. An applicant may present or submit the application to any agent or office of the Department ~~or~~ *or to a registration service*.

2. An application:

(a) Mailed or presented to the Department or to a county assessor pursuant to the provisions of this section;

(b) Submitted to the Department pursuant to NRS 482.294; ~~or~~

(c) *Presented or submitted to a registration service pursuant to section 3 of this act; or*

(d) Presented to an authorized inspection station or authorized station pursuant to the provisions of NRS 482.281,

↪ must include, if required, evidence of compliance with standards for control of emissions.

3. The Department shall insert in each application mailed pursuant to subsection 1:

(a) The amount of the governmental services tax to be collected for the county pursuant to the provisions of NRS 482.260.

(b) The amount set forth in a notice of nonpayment filed with the Department by a local authority pursuant to NRS 484.444.

(c) A statement which informs the applicant that, pursuant to NRS 485.185, he is legally required to maintain insurance during the period in which the motor vehicle is registered.

4. An owner who has made proper application for renewal of registration before the expiration of the current registration but who has not received the

license plate or plates or card of registration for the ensuing period of registration is entitled to operate or permit the operation of that vehicle upon the highways upon displaying thereon the license plate or plates issued for the preceding period of registration for such a time as may be prescribed by the Department as it may find necessary for the issuance of the new plate or plates or card of registration.

Sec. 28. NRS 482.285 is hereby amended to read as follows:

482.285 1. If any certificate of registration or certificate of title is lost, mutilated or illegible, the person to whom it was issued shall immediately make application for and obtain a duplicate or substitute therefor upon furnishing information satisfactory to the Department *or a registration service* and upon payment of the required fees.

2. If any license plate or plates or any decal is lost, mutilated or illegible, the person to whom it was issued shall immediately make application for and obtain:

- (a) A duplicate number plate or a substitute number plate;
- (b) A substitute decal; or
- (c) A combination of both (a) and (b),

↪ as appropriate, upon furnishing information satisfactory to the Department *or a registration service* and payment of the fees required by NRS 482.500.

3. If any license plate or plates or any decal is stolen, the person to whom it was issued shall immediately make application for and obtain:

- (a) A substitute number plate;
- (b) A substitute decal; or
- (c) A combination of both (a) and (b),

↪ as appropriate, upon furnishing information satisfactory to the Department *or a registration service* and payment of the fees required by NRS 482.500.

4. The Department shall issue duplicate number plates or substitute number plates and, if applicable, a substitute decal, if the applicant:

- (a) Returns the mutilated or illegible plates to the Department or signs a declaration that the plates were lost, mutilated or illegible; and
- (b) Complies with the provisions of subsection 6.

5. The Department shall issue substitute number plates and, if applicable, a substitute decal, if the applicant:

- (a) Signs a declaration that the plates were stolen; and
- (b) Complies with the provisions of subsection 6.

6. Except as otherwise provided in this subsection, an applicant who desires duplicate number plates or substitute number plates must make application for renewal of registration. Credit must be allowed for the portion of the registration fee and governmental services tax attributable to the remainder of the current registration period. In lieu of making application for renewal of registration, an applicant may elect to make application solely for:

- (a) Duplicate number plates or substitute number plates, and a substitute decal, if the previous license plates were lost, mutilated or illegible; or

(b) Substitute number plates and a substitute decal, if the previous license plates were stolen.

7. An applicant who makes the election described in subsection 6 retains his current date of expiration for the registration of the applicable vehicle and is not, as a prerequisite to receiving duplicate number plates or substitute number plates or a substitute decal, required to:

(a) Submit evidence of compliance with controls over emission; or

(b) Pay the registration fee and governmental services tax attributable to a full 12-month period of registration.

Sec. 29. NRS 482.293 is hereby amended to read as follows:

482.293 1. The Department may establish a program for the electronic submission and storage of documents.

2. If the Department establishes a program pursuant to subsection 1:

(a) An electronic submission or storage of documents that is carried out pursuant to the program with respect to a particular transaction is not valid unless all original documents required for the transaction pursuant to:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

↪ have been executed and submitted to the Department.

(b) The Department shall allow only the following persons to apply for participation in the program:

(1) Financial institutions, new vehicle dealers, ~~and~~ used vehicle dealers ~~and~~ *and registration services*, for the purpose of submitting documents by electronic means to the Department on behalf of their customers.

(2) Owners of fleets composed of 10 or more vehicles.

(c) The Department shall adopt regulations to carry out the program.

3. The regulations required to be adopted pursuant to paragraph (c) of subsection 2 must include, without limitation:

(a) The type of electronic transmission that the Department will accept for the program.

(b) The process for submission of an application by a person who desires to participate in the program and the fee, if any, that must accompany the application for participation.

(c) The criteria that will be applied by the Department in determining whether to approve an application to participate in the program.

(d) The standards for ensuring the security and integrity of the process for issuance and renewal of a certificate of registration and a certificate of title, including, without limitation, the procedure for a financial and performance audit of the program.

(e) The terms and conditions for participation in the program and any restrictions on the participation.

(f) The contents of a written agreement that must be on file with the Department before a participant may submit a document by electronic means to the Department. Such written agreement must include, without limitation:

(1) An assurance that each document submitted by electronic means contains all the information that is necessary to complete the transaction for which the document is submitted;

(2) Certification that all the information contained in each document that is submitted by electronic means is truthful and accurate;

(3) An assurance that the participant who submits a document by electronic means will maintain all information and records that are necessary to support the document; and

(4) The signature of the participant who files the written agreement with the Department.

(g) The conditions under which the Department may revoke the approval of a person to participate in the program, including, without limitation, failure to comply with this section and NRS 482.294 and the regulations adopted pursuant thereto.

(h) The method by which the Department will store documents that are submitted to it by electronic means.

(i) The required technology that is necessary to carry out the program.

(j) Any other regulations that the Department determines necessary to carry out the program.

(k) Procedures to ensure compliance with:

(1) The provisions of 49 U.S.C. §§ 32701 et seq.; and

(2) The provisions of any regulations adopted pursuant thereto,

↳ to the extent that such provisions relate to the submission and retention of documents used for the transfer of the ownership of vehicles.

4. The Department may accept gifts and grants from any source, including, without limitation, donations of materials, equipment and labor, for the establishment and maintenance of a program pursuant to this section.

Sec. 30. NRS 482.294 is hereby amended to read as follows:

482.294 1. If the Department approves an application for a person to participate in a program established pursuant to NRS 482.293, that participant may submit, by electronic means, a document that is required to be submitted pursuant to this chapter for the issuance or renewal of a certificate of registration or a certificate of title.

2. If the signature of a natural person is required pursuant to this chapter on a document that is submitted by electronic means, the Department may waive that requirement:

(a) In the case of a participant who is a financial institution, new vehicle dealer, ~~for~~ used vehicle dealer ~~or~~ *registration service*, if the participant who submitted the document on behalf of that person complies with all requirements of this program.

(b) In the case of a participant who is an owner of a fleet composed of 10 or more vehicles, if the participant complies with all requirements of this program.

3. Notwithstanding any other provision of law to the contrary, a document that is submitted by electronic means pursuant to subsection 1, if

accepted by the Department, shall be deemed an original document in administrative proceedings, quasi-judicial proceedings and judicial proceedings.

Sec. 31. NRS 482.295 is hereby amended to read as follows:

482.295 The Department, ~~{or}~~ a registered dealer *or a registration service* shall not register a vehicle intended to be leased by a short-term lessor until the owner demonstrates to the Department his financial ability to respond to damages by providing evidence of insurance as that term is defined in NRS 485.034.

Sec. 32. NRS 482.399 is hereby amended to read as follows:

482.399 1. Upon the transfer of the ownership of or interest in any vehicle by any holder of a valid registration, or upon destruction of the vehicle, the registration expires.

2. The holder of the original registration may transfer the registration to another vehicle to be registered by him and use the same regular license plate or plates or special license plate or plates issued pursuant to NRS 482.3667 to 482.3823, inclusive, or 482.384, on the vehicle from which the registration is being transferred, if the license plate or plates are appropriate for the second vehicle, upon filing an application for transfer of registration and upon paying the transfer registration fee and the excess, if any, of the registration fee and governmental services tax on the vehicle to which the registration is transferred over the total registration fee and governmental services tax paid on all vehicles from which he is transferring his ownership or interest. Except as otherwise provided in NRS 482.294, an application for transfer of registration must be made in person, if practicable, to any office or agent of the Department or to a registered dealer ~~{or}~~ *or registration service*, and the license plate or plates may not be used upon a second vehicle until registration of that vehicle is complete.

3. In computing the governmental services tax, the Department, its agent, ~~{or}~~ the registered dealer *or the registration service* shall credit the portion of the tax paid on the first vehicle attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the second vehicle or on any other vehicle of which the person is the registered owner. If any person transfers his ownership or interest in two or more vehicles, the Department, ~~{or the}~~ registered dealer *or registration service* shall credit the portion of the tax paid on all of the vehicles attributable to the remainder of the current registration period or calendar year on a pro rata monthly basis against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner. The certificates of registration and unused license plates of the vehicles from which a person transfers his ownership or interest must be submitted before credit is given against the tax due on the vehicle to which the registration is transferred or on any other vehicle of which the person is the registered owner.

4. In computing the registration fee, the Department, ~~for~~ its agent, ~~for~~ the registered dealer or the registration service shall credit the portion of the registration fee paid on each vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis against the registration fee due on the vehicle to which registration is transferred.

5. If the amount owed on the registration fee or governmental services tax on the vehicle to which registration is transferred is less than the credit on the total registration fee or governmental services tax paid on all vehicles from which a person transfers his ownership or interest, no refund may be allowed by the Department.

6. If the license plate or plates are not appropriate for the second vehicle, the plate or plates must be surrendered to the Department, ~~for~~ registered dealer or registration service and an appropriate plate or plates must be issued by the Department. The Department shall not reissue the surrendered plate or plates until the next succeeding licensing period.

7. If application for transfer of registration is not made within 60 days after the destruction or transfer of ownership of or interest in any vehicle, the license plate or plates must be surrendered to the Department on or before the 60th day for cancellation of the registration.

8. If a person cancels his registration and surrenders to the Department his license plates for a vehicle, the Department shall, in accordance with the provisions of subsection 9, issue to the person a refund of the portion of the registration fee and governmental services tax paid on the vehicle attributable to the remainder of the current calendar year or registration period on a pro rata basis.

9. The Department shall issue a refund pursuant to subsection 8 only if the request for a refund is made at the time the registration is cancelled and the license plates are surrendered, the person requesting the refund is a resident of Nevada, the amount eligible for refund exceeds \$100 ~~+~~ and evidence satisfactory to the Department is submitted that reasonably proves the existence of extenuating circumstances. For the purposes of this subsection, the term "extenuating circumstances" means circumstances wherein:

(a) The person has recently relinquished his driver's license and has sold or otherwise disposed of his vehicle.

(b) The vehicle has been determined to be inoperable and the person does not transfer the registration to a different vehicle.

(c) The owner of the vehicle is seriously ill or has died and the guardians or survivors have sold or otherwise disposed of the vehicle.

(d) Any other event occurs which the Department, by regulation, has defined to constitute an "extenuating circumstance" for the purposes of this subsection.

Sec. 33. Section 5 of this act is hereby amended to read as follows:

Sec. 5. A person may apply for a license to operate a registration service by filing an application on a form supplied by the

Department. The form must identify the persons whose names are required to appear thereon. The application must include, without limitation:

1. The name and address of the principal place of business of the applicant and any branch locations;
2. Such proof as the Department deems necessary to establish that the applicant has the necessary equipment to operate a registration service;
3. A complete set of fingerprints of any person whose name is required to appear on the application and written permission authorizing the Department to forward those fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;
4. A complete set of fingerprints of any employee of the registration service who will have access to electronic transmissions pursuant to NRS 482.293 and 482.294 and written permission authorizing the Department to forward those fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for its report;
5. A fee for the processing of fingerprints as established by regulation which must not exceed the sum of the amounts charged by the Central Repository and the Federal Bureau of Investigation for processing the fingerprints; *and*
6. A bond executed by an admitted surety company. ~~}; and~~
7. ~~If the applicant is a natural person, the statement required pursuant to section 13 of this act.]~~

Sec. 34. Section 6 of this act is hereby amended to read as follows:

Sec. 6. A license issued pursuant to section 5 of this act expires 1 year after the date on which it was issued. The license may be renewed annually upon the payment of a fee established by regulation pursuant to section 7 of this act. ~~[[If the applicant is a natural person, the application for renewal also must be accompanied by the statement required pursuant to section 13 of this act.]]~~ The renewal application form must be provided by the Department and contain the information required by the Department.

Sec. 34.5. 1. The Department of Motor Vehicles may, by regulation, establish a pilot program for registration services. The regulations must include the number of persons who will participate in the program.

2. If the Department establishes a pilot program, the Department shall, not later than January 1, 2009, submit a report concerning the pilot program to the Director of the Legislative Counsel Bureau for transmittal to the Legislature. The report must include, without limitation, the status of the program and any recommendations concerning the program.

Sec. 35. 1. This section and sections 1 to 32, inclusive, and 34.5 of this act become effective on July 1, 2007.

2. Sections 5, 6 and 13 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment of the support of one or more children,
 ↪ are repealed by the Congress of the United States.

3. Sections 33 and 34 of this act become effective on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

(a) Have failed to comply with a subpoena or warrant relating to a proceeding to determine the paternity of a child or to establish or enforce an obligation for the support of a child; or

(b) Are in arrears in the payment of the support of one or more children,
 ↪ are repealed by the Congress of the United States.

4. Section 34.5 of this act expires by limitation on June 30, 2009.

Senator Heck moved the adoption of the amendment.

Remarks by Senator Heck.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 272.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 336.

"SUMMARY—Revises provisions governing awarding of costs and attorney's fees in certain actions involving rights to graze or water livestock. (BDR 50-370)"

"AN ACT relating to livestock grazing; providing for costs and reasonable attorney's fees in equitable actions regarding rights to graze or water livestock on public lands ~~and~~ under certain circumstances; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

~~[This bill provides for a mandatory]~~ Section 1 of this bill requires an award of costs and reasonable attorney's fees to a defendant who is the prevailing party in any action in which a party seeks declaratory, injunctive or other equitable relief with regard to the rights of another person to graze or water livestock on public lands.

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

Section 1. Chapter 568 of NRS is hereby amended by adding thereto a new section to read as follows:

In any action in which a party seeks declaratory, injunctive or other equitable relief with regard to the rights of another person to graze or water livestock on public lands, the court shall ~~forward~~ if the defendant is the prevailing party in the action, award the defendant costs and reasonable attorney's fees.

Sec. 2. This act applies to any action that is pending or accrues on or after the effective date of this act.

Sec. 3. This act becomes effective upon passage and approval.

Senator Rhoads moved the adoption of the amendment.

Remarks by Senator Rhoads.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 274.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 335.

"SUMMARY—Makes various changes to provisions governing the State Engineer. (BDR 48-206)"

"AN ACT relating to water; expanding the purposes for which the State Engineer may adopt regulations; authorizing the State Engineer to impose administrative fines and to order payment of the costs of certain proceedings; authorizing the State Engineer to seek injunctive relief for certain violations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Pursuant to existing law, the State Engineer may make such reasonable rules and regulations as may be necessary for the proper and orderly execution of the powers conferred on him by law. (NRS 532.120) The penalty prescribed for the violation of a majority of the provisions set forth in chapters 533, 534, 535 and 536 of NRS is a misdemeanor. (NRS 533.480, 534.190, 535.110, 536.120)

Section 1 of this bill expands the provisions for which the State Engineer may adopt regulations to include chapters 534, 535 and 536 of NRS in addition to chapter 533 of NRS. Sections 3, 7, 10 and 14 of this bill provide the State Engineer with the additional authority to impose, after notice and opportunity for a hearing, administrative fines, to require a person to replace certain unlawfully taken or wasted water, and to recover expenses incurred in investigating and stopping various water law violations.

Sections 4, 8, 11 and 15 of this bill authorize the State Engineer to seek injunctive relief to prevent a violation or continued violation of chapters 533, 534, 535 and 536 of NRS.

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

Section 1. NRS 532.120 is hereby amended to read as follows:

532.120 1. The State Engineer ~~is empowered to~~ *may* make such reasonable rules and regulations as may be necessary for the proper and orderly execution of the powers conferred by law.

2. The State Engineer ~~shall have power to make rules,~~ *may adopt regulations*, not in conflict with law, governing the practice and procedure in all contests before his office, to ~~insure~~ *ensure* the proper and orderly exercise of the powers granted by law, and the speedy accomplishment of the purposes of ~~chapter~~ *chapters* 533, 534, 535 and 536 of NRS. Such rules of practice and procedure ~~shall~~ *must* be furnished to any person upon application therefor.

Sec. 2. Chapter 533 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 ~~and~~, 4 *and* 4.5 of this act.

Sec. 3. 1. *In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any permit, certificate, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to:*

(a) Pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.

(b) In the case of an unauthorized use or willful waste of water in violation of NRS 533.460 or an unlawful diversion of water in violation of NRS 533.530, or any other violation of this chapter that, as determined by the State Engineer, results in an unlawful use, waste or diversion of water, replace not more than 200 percent of the water used, wasted or diverted.

2. *If an administrative fine is imposed against a person pursuant to subsection 1 or the person is ordered to replace any water pursuant to that subsection, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.*

3. *An order imposing an administrative fine or requiring the replacement of water or the payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.*

Sec. 4. 1. *The State Engineer may seek injunctive relief in the appropriate court to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, or any permit, certificate, decision or order issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120.*

2. *On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, or any permit, certificate, decision or order issued*

or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120, the court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including a temporary restraining order issued ex parte or, after notice and hearing, a preliminary or permanent injunction.

3. Failure to establish lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.

4. The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.

5. Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation specified in this section.

Sec. 4.5. The State Engineer shall not carry out his duties pursuant to this chapter in a manner that conflicts with any applicable provision of a decree or order issued by a state or federal court, an interstate compact or an agreement to which this State is a party for the interstate allocation of water pursuant to an act of Congress.

Sec. 5. NRS 533.450 is hereby amended to read as follows:

533.450 1. Any person feeling himself aggrieved by any order or decision of the State Engineer, acting in person or through his assistants or the water commissioner, affecting his interests, when ~~such~~ the order or decision relates to the administration of determined rights or is made pursuant to NRS 533.270 to 533.445, inclusive, or section 3, 7, 10 or 14 of this act, may have the same reviewed by a proceeding for that purpose, insofar as may be in the nature of an appeal, which ~~shall~~ must be initiated in the proper court of the county in which the matters affected or a portion thereof are situated, ~~but~~ on stream systems where a decree of court has been entered, the action ~~shall~~ must be initiated in the court that entered the decree. ~~Such~~ The order or decision of the State Engineer ~~shall be and remain~~ remains in full force and effect unless proceedings to review the same are commenced in the proper court within 30 days ~~following~~ after the rendition of the order or decision in question and notice thereof is given to the State Engineer as provided in subsection 3.

2. The proceedings in every case ~~shall~~ must be heard by the court, and ~~shall~~ must be informal and summary, but full opportunity to be heard ~~shall~~ must be had before judgment is pronounced.

3. No such proceedings may be entertained unless notice thereof, containing a statement of the substance of the order or decision complained of, and of the manner in which the same injuriously affects the petitioner's interests, has been served upon the State Engineer, personally or by registered or certified mail, at his office at the State Capital within 30 days following the rendition of the order or decision in question. A similar notice ~~shall~~ must also be served personally or by registered or certified mail upon

the person ~~or persons~~ who may have been affected by ~~such~~ the order or decision.

4. Where evidence has been filed with, or testimony taken before, the State Engineer, a transcribed copy thereof, or of any specific part of the same, duly certified as a true and correct transcript in the manner provided by law, ~~shall~~ must be received in evidence with the same effect as if the reporter were present and testified to the facts so certified. A copy of the transcript ~~shall~~ must be furnished on demand, at actual cost, to any person affected by ~~such~~ the order or decision, and to all other persons on payment of a reasonable amount therefor, to be fixed by the State Engineer.

5. A bond ~~shall~~ must not be required except when a stay is desired, and the proceedings provided for in this section are not a stay unless, within 5 days ~~following~~ after the service of notice thereof, a bond is filed in an amount to be fixed by the court, with sureties satisfactory to ~~such~~ the court, conditioned to perform the judgment rendered in ~~such~~ the proceedings.

6. Costs ~~shall~~ must be paid as in civil cases brought in the district court, except by the State Engineer or the State.

7. The practice in civil cases applies to the informal and summary character of such proceedings, as provided in this section.

8. Appeals may be taken to the Supreme Court from the judgment of the district court in the same manner as in other civil cases.

9. The decision of the State Engineer ~~shall be~~ is prima facie correct, and the burden of proof ~~shall be~~ is upon the party attacking the same.

10. Whenever it appears to the State Engineer that any litigation, whether now pending or hereafter brought, may adversely affect the rights of the public in water, he shall request the Attorney General to appear and protect the interests of the State.

Sec. 6. Chapter 534 of NRS is hereby amended by adding thereto the provisions set forth as sections 7 and 8 of this act.

Sec. 7. 1. *Except as otherwise provided in NRS 534.280, 534.310 and 534.330 and in addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter or any permit, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120 to:*

(a) *Pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.*

(b) *In the case of an unlawful waste of water in violation of NRS 534.070 or any other violation of this chapter that, as determined by the State Engineer, results in an unlawful use, waste or diversion of water, replace not more than 200 percent of the water used, wasted or diverted.*

2. *If an administrative fine is imposed against a person pursuant to subsection 1 or the person is ordered to replace any water pursuant to that subsection, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.*

3. *An order imposing an administrative fine or requiring the replacement of water or payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.*

Sec. 8. 1. *The State Engineer may seek injunctive relief in the appropriate court to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, or any permit, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120.*

2. *On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, or any permit, order or decision issued or regulation adopted by the State Engineer pursuant to this chapter or NRS 532.120, the court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including a temporary restraining order issued ex parte or, after notice and hearing, a preliminary or permanent injunction.*

3. *Failure to establish lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.*

4. *The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.*

5. *Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation of this chapter.*

Sec. 9. Chapter 535 of NRS is hereby amended by adding thereto the provisions set forth as sections 10 and 11 of this act.

Sec. 10. 1. *In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter, any permit, order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120 to pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.*

2. *If an administrative fine is imposed against a person pursuant to subsection 1, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.*

3. *An order imposing an administrative fine or requiring the payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.*

Sec. 11. 1. *The State Engineer may seek injunctive relief in the appropriate court to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, any permit, order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120.*

2. *On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, any permit, order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120, the court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including a temporary restraining order issued ex parte or, after notice and hearing, a preliminary or permanent injunction.*

3. *Failure to establish lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.*

4. *The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.*

5. *Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation of this chapter.*

Sec. 12. NRS 535.100 is hereby amended to read as follows:

535.100 1. ~~{It is unlawful for any person being}~~ *Any person who is the owner of or in possession of any sawmill used for the making of lumber, or any slaughterhouse, brewery or tannery ~~{to}~~ shall not injure or obstruct the natural flow of water in any river, creek or other stream.*

2. *Any city or county government, or any person, ~~{being}~~ who is the owner of or in possession of any agricultural lands ~~{, who may be}~~ and who is injured by reason of the violation on the part of any person of the provisions contained in subsection 1 ~~{, shall have the right to}~~ may commence and maintain an action against ~~{such}~~ the person for any damage sustained, in such manner as may be provided by law.*

~~{3. Any person who shall willfully and knowingly violate the provisions of this section shall be punished by a fine of not more than \$500.}~~

Sec. 13. Chapter 536 of NRS is hereby amended by adding thereto the provisions set forth as sections 14 and 15 of this act.

Sec. 14. 1. *In addition to any other penalty provided by law, the State Engineer may, after notice and opportunity for a hearing, require a person who violates any provision of this chapter, any order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120 to pay an administrative fine not to exceed \$10,000 per day for each violation as determined by the State Engineer.*

2. *If an administrative fine is imposed against a person pursuant to subsection 1, the State Engineer may require the person to pay the costs of the proceeding, including investigative costs and attorney's fees.*

3. *An order imposing an administrative fine or requiring the payment of costs or fees pursuant to this section may be reviewed by a district court pursuant to NRS 533.450.*

Sec. 15. 1. *The State Engineer may seek injunctive relief in the appropriate court to prevent the continuance or occurrence of any act or practice which violates any provision of this chapter, any order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120.*

2. *On a showing by the State Engineer that a person is engaged, or is about to engage, in any act or practice which violates or will violate any provision of this chapter, any order or decision issued by the State Engineer pursuant to this chapter or any regulation adopted by the State Engineer pursuant to NRS 532.120, the court may issue, without a bond, any prohibitory or mandatory injunction that the facts may warrant, including a temporary restraining order issued ex parte or, after notice and hearing, a preliminary or permanent injunction.*

3. *Failure to establish lack of an adequate remedy at law or irreparable harm is not a ground for denying a request for a temporary restraining order or injunction.*

4. *The court may require the posting of a sufficient performance bond or other security to ensure compliance with the court order within the period prescribed.*

5. *Any proceeding conducted or injunction or order issued pursuant to this section is in addition to, and not in lieu of, any other penalty or remedy available for a violation of this chapter.*

Sec. 16. This act becomes effective on July 1, 2007.

Senator Rhoads moved the adoption of the amendment.

Remarks by Senator Rhoads.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 279.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 196.

"SUMMARY—~~Provides express authority for~~ *Makes various changes concerning contractors and the State Contractors' Board, to collect and disseminate data and to conduct investigations.* (BDR 54-624)"

"AN ACT relating to contractors; *revising certain duties and powers of the State Contractors' Board; providing express authority for the State Contractors' Board to collect and disseminate* maintain data and to conduct investigations; *revising the procedures for applying for the issuance or renewal of a contractor's license; revising the term of a contractor's license from 1 year to 2 years in certain circumstances; revising certain fees and assessments to reflect such change in the term of a contractor's license; authorizing the Board to take certain actions against an unlicensed person*

who violates a provision governing contractors; providing a penalty; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides that chapter 624 of NRS, which governs contractors, does not apply, under certain circumstances, to an owner of a complex containing less than five condominiums, townhouses, apartments or cooperative units, the managing officer of the owner or an employee of the managing officer who performs certain maintenance and repairs to the property which are valued at less than \$500. (NRS 624.031) Section 1 of this bill expands this exemption to include any maintenance and repairs which are valued at less than \$1,000.

Existing law requires the State Contractors' Board to establish an Investigations Office that includes a Special Investigations Unit and a Compliance Investigations Unit. (NRS 624.112) Section 2 of this bill eliminates the requirement to include those two specific units within the Investigations Office.

Existing law authorizes the Board to require criminal investigators who are employed by the Board to locate and identify certain persons who violate a provision of chapter 624 of NRS or any regulations adopted by the Board. (NRS 624.115) Section 3 of this bill authorizes the Board also to require compliance investigators who are employed by the Board to locate and identify such persons.

Existing law authorizes the ~~{State Contractors'}~~ Board to undertake all functions and duties related to the administration of chapter 624 of NRS ~~{, which governs contractors.}~~ (NRS 624.160) Section ~~{1}~~ 4 of this bill provides express authority for the Board to collect and ~~{disseminate}~~ maintain data regarding *investigations and* complaints on contractors and to conduct investigations of contractors. ~~{Sections 2 and 3 of this bill provide that the express authority granted by section 1 is an exception to existing provisions providing for confidentiality of complaints and investigations.}~~

Existing law requires an applicant for the issuance or renewal of a contractor's license to submit a written application to the Board that includes, without limitation, the names and addresses of any owners, partners, officers, directors, members and managerial personnel of the applicant. (NRS 624.250) Section 5 of this bill revises this requirement for applicants that are corporations or limited-liability companies. Section 5 also requires the Board to require an applicant to pay the license fee and any applicable assessments before the Board issues a license to the applicant.

Existing law requires an applicant for the issuance or renewal of a contractor's license to submit to the Board proof of industrial insurance and insurance for occupational diseases, proof of self-insurance or a signed affidavit affirming that the applicant is not subject to the statutes governing industrial insurance and occupational insurance because of certain specified circumstances. (NRS 624.256) Section 6 of this bill provides that failure of such an applicant or licensee to file or maintain such insurance constitutes

cause for the Board to take certain administrative actions against the person unless the person provides to the Board the affidavit discussed above.

Existing law requires an applicant for a contractor's license or a licensee to show such a degree of financial responsibility as the Board deems necessary for the safety and protection of the public. (NRS 624.260) Existing law also requires that the financial responsibility be determined by using certain standards and criteria set forth in statute. (NRS 624.263) Section 7 of this bill expands those standards and criteria and authorizes, rather than requires, these standards and criteria to be used in determining the financial responsibility of an applicant or licensee.

Section 9 of this bill revises the existing fee for a contractor's license from \$450 annually to \$900 biennially. (NRS 624.283)

Section 10 of this bill revises the existing term of a contractor's license from 1 year to 2 years and authorizes the Board to establish a system of staggered biennial renewals. Section 20 of this bill provides that the provisions of section 10 do not apply to an existing contractor's license until the first renewal date for the license that occurs after the effective date of this bill.

Existing law authorizes the Board or its designee to issue administrative citations and to take action against an applicant for a contractor's license or a licensee who commits an act which constitutes cause for disciplinary action. (NRS 624.341) Section 12 of this bill authorizes the Board or its designee to issue such citations and to take such action against any person who violates a provision of chapter 624 of NRS or any regulations adopted by the Board. Section 12 also specifies that any administrative fine ordered in the citation must not exceed \$50,000 under certain circumstances. Further, section 12 provides that it is a misdemeanor for an unlicensed person to fail to comply with such a citation or order issued by the Board pursuant to NRS 624.341. Sections 13, 14 and 15 of this bill similarly amend existing law to reflect the expanded scope of the administrative citations and actions. (NRS 624.345, 624.351, 624.361)

Section 16 of this bill revises the existing assessments which are required to be paid by each residential contractor on an annual basis by doubling the amounts of the assessments and requiring such assessments to be paid per biennium. (NRS 624.470)

Existing law authorizes the Board to impose an administrative fine upon an unlicensed person who engages in business as a contractor or submits a bid on a job in this State. (NRS 624.710) Section 17 of this bill further authorizes the Board to impose an administrative fine on a person who violates certain provisions governing advertising concerning contractors or certain provisions governing the ability of licensees to participate in joint ventures or other combinations. (NRS 624.720, 624.740)

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

Section 1. NRS 624.031 is hereby amended to read as follows:

624.031 The provisions of this chapter do not apply to:

1. Work performed exclusively by an authorized representative of the United States Government, the State of Nevada, or an incorporated city, county, irrigation district, reclamation district, or other municipal or political corporation or subdivision of this State.

2. An officer of a court when acting within the scope of his office.

3. Work performed exclusively by a public utility operating pursuant to the regulations of the Public Utilities Commission of Nevada on construction, maintenance and development work incidental to its business.

4. An owner of property who is building or improving a residential structure on the property for his own occupancy and not intended for sale or lease. The sale or lease, or the offering for sale or lease, of the newly built structure within 1 year after its completion creates a rebuttable presumption for the purposes of this section that the building of the structure was performed with the intent to sell or lease that structure. An owner of property who requests an exemption pursuant to this subsection must apply to the Board for the exemption. The Board shall adopt regulations setting forth the requirements for granting the exemption.

5. ~~An owner of a complex containing not more than four condominiums, townhouses, apartments or cooperative units, the managing officer of the owner or an employee of the managing officer, who performs~~ Any work to repair or maintain ~~that~~ property the value of which is less than ~~(\$500)~~ \$1,000, including labor and materials, unless:

(a) A building permit is required to perform the work;

(b) The work is of a type performed by a plumbing, electrical, refrigeration, heating or air-conditioning contractor;

(c) The work is of a type performed by a contractor licensed in a classification prescribed by the Board that significantly affects the health, safety and welfare of members of the general public;

(d) The work is performed as a part of a larger project:

(1) The value of which is \$500 or more; or

(2) For which contracts of less than \$500 have been awarded to evade the provisions of this chapter; or

(e) The work is performed by a person who is licensed pursuant to this chapter or by an employee of that person.

6. The sale or installation of any finished product, material or article of merchandise which is not fabricated into and does not become a permanent fixed part of the structure.

7. The construction, alteration, improvement or repair of personal property.

8. The construction, alteration, improvement or repair financed in whole or in part by the Federal Government and conducted within the limits and boundaries of a site or reservation, the title of which rests in the Federal Government.

9. An owner of property, the primary use of which is as an agricultural or farming enterprise, building or improving a structure on the property for his use or occupancy and not intended for sale or lease.

Sec. 2. NRS 624.112 is hereby amended to read as follows:

624.112 1. The Board shall:

(a) Establish an Investigations Office to enforce the provisions of this chapter. The Investigations Office must ~~include a Special Investigations Unit consisting of~~ consist of criminal investigators and ~~a Compliance Investigations Unit consisting of~~ compliance investigators.

(b) Adopt regulations setting forth the qualifications required for investigators employed to carry out this section.

2. As used in this section, "criminal investigator" means a person authorized to perform the duties set forth in subsection 2 of NRS 624.115.

Sec. 3. NRS 624.115 is hereby amended to read as follows:

624.115 1. The Board may employ attorneys, investigators and other professional consultants and clerical personnel necessary to the discharge of its duties.

2. The Board may require criminal investigators who are employed by the Board pursuant to NRS 624.112 to:

(a) Conduct a background investigation of:

- (1) A licensee or an applicant for a contractor's license; or
- (2) An applicant for employment with the Board;

(b) Locate and identify persons who:

(1) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;

(2) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or

(3) Otherwise violate the provisions of this chapter or the regulations adopted pursuant to this chapter;

(c) Investigate any alleged occurrence of constructional fraud; and

(d) Issue a misdemeanor citation prepared manually or electronically pursuant to NRS 171.1773 to a person who violates a provision of this chapter that is punishable as a misdemeanor. A criminal investigator may request any constable, sheriff or other peace officer to assist him in the issuance of such a citation.

3. The Board may require compliance investigators who are employed by the Board pursuant to NRS 624.112 to locate and identify persons who:

(a) Engage in the business or act in the capacity of a contractor within this State in violation of the provisions of this chapter;

(b) Submit bids on jobs situated within this State in violation of the provisions of this chapter; or

(c) Otherwise violate the provisions of this chapter or the regulations adopted pursuant thereto.

~~Section 4.~~ *Sec. 4. NRS 624.160 is hereby amended to read as follows:*

624.160 1. The Board is vested with all of the functions and duties relating to the administration of this chapter.

2. The Board shall:

(a) Carry out a program of education for customers of contractors.

(b) Maintain and make known a telephone number for the public to obtain information about self-protection from fraud in construction and other information concerning contractors and contracting.

(c) *Collect and maintain records, reports and compilations of statistical data concerning investigations and complaints.*

~~[(d) Upon request, disclose and disseminate to a member of the public a compilation of statistical data regarding complaints on a specific contractor.]~~

3. The Board may provide advisory opinions and take other actions that are necessary for the effective administration of this chapter and the regulations of the Board.

4. *The Board may, on its own motion, and shall, upon receipt of a written complaint or upon receipt of information from a governmental agency, investigate the actions of any person acting in the capacity of a contractor, with or without a license.*

Sec. 5. *NRS 624.250 is hereby amended to read as follows:*

624.250 1. To obtain or renew a license, an applicant must submit to the Board an application in writing containing:

(a) The statement that the applicant desires the issuance of a license under the terms of this chapter.

(b) The street address or other physical location of the applicant's place of business.

(c) The name of a person physically located in this State for service of process on the applicant.

(d) The street address or other physical location in this State and, if different, the mailing address, for service of process on the applicant.

(e) ~~[(The)]~~ *Except as otherwise provided in paragraphs (f) or (g), the names and physical and mailing addresses of any owners, partners, officers, directors, members and managerial personnel of the applicant.*

(f) *If the applicant is a corporation, the names and physical and mailing addresses of the president, secretary, treasurer, any officers responsible for contracting activities in this State, any officers responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to NRS 624.260 and any other persons required by the Board.*

(g) *If the applicant is a limited-liability company, the names and physical and mailing addresses of any managers or members with managing authority, any managers or members responsible for contracting activities in this State, any managers or members responsible for renewing the license of the applicant, any persons used by the applicant to qualify pursuant to NRS 624.260 and any other persons required by the Board.*

(h) Any information requested by the Board to ascertain the background, financial responsibility, experience, knowledge and qualifications of the applicant.

~~[(e)]~~ *(i)* All information required to complete the application.

2. The application must be:

(a) Made on a form prescribed by the Board in accordance with the rules and regulations adopted by the Board.

(b) Accompanied by the *application* fee fixed by this chapter.

3. The Board shall include on an application form for the issuance or renewal of a license, a method for allowing an applicant to make a monetary contribution to the Construction Education Account created pursuant to NRS 624.580. The application form must state in a clear and conspicuous manner that a contribution to the Construction Education Account is voluntary and is in addition to any fees required for licensure. If the Board receives a contribution from an applicant, the Board shall deposit the contribution with the State Treasurer for credit to the Construction Education Account.

4. Before issuing a license to any applicant, the Board shall require the applicant to pay the license fee fixed by this chapter and, if applicable, any assessment required pursuant to NRS 624.470.

Sec. 6. NRS 624.256 is hereby amended to read as follows:

624.256 1. Before granting an original or renewal of a contractor's license to any applicant, the Board shall require that the applicant submit to the Board:

(a) Proof of industrial insurance and insurance for occupational diseases which covers his employees;

(b) A copy of his certificate of qualification as a self-insured employer which was issued by the Commissioner of Insurance;

(c) If the applicant is a member of an association of self-insured public or private employers, a copy of the certificate issued to the association by the Commissioner of Insurance; or

(d) An affidavit signed by the applicant affirming that he is not subject to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS because:

(1) He has no employees;

(2) He is not or does not intend to be a subcontractor for a principal contractor; and

(3) He has not or does not intend to submit a bid on a job for a principal contractor or subcontractor.

2. The Board shall notify the Fraud Control Unit for Industrial Insurance established pursuant to NRS 228.420 whenever the Board learns that an applicant or holder of a contractor's license has engaged in business as or acted in the capacity of a contractor within this State without having obtained industrial insurance or insurance for occupational diseases in violation of the provisions of chapters 616A to 617, inclusive, of NRS.

3. Failure by an applicant or holder of a contractor's license to file or maintain in full force the required industrial insurance and insurance for occupational diseases constitutes cause for the Board to deny, revoke, suspend, refuse to renew or otherwise discipline the person, unless the person has complied with the provisions set forth in paragraph (d) of subsection 1.

Sec. 7. NRS 624.263 is hereby amended to read as follows:

624.263 1. The financial responsibility of a licensee or an applicant for a contractor's license must be established independently of and without reliance on any assets or guarantees of any owners or managing officers of the licensee or applicant, but the financial responsibility of any owners or managing officers of the licensee or applicant may be inquired into and considered as a criterion in determining the financial responsibility of the licensee or applicant.

2. The financial responsibility of an applicant for a contractor's license or of a licensed contractor ~~must~~ may be determined by using the following standards and criteria in connection with each applicant or contractor and each associate or partner thereof:

- (a) ~~Net~~ Amount of net worth.
- (b) Amount of liquid assets.
- (c) Amount of current assets.
- (d) Amount of current liabilities.
- (e) Amount of working capital.
- (f) Ratio of current assets to current liabilities.
- (g) Fulfillment of bonding requirements pursuant to NRS 624.270.
- (h) Prior payment and credit records.
- ~~(i)~~ (i) Previous business experience.
- ~~(j)~~ (j) Prior and pending lawsuits.
- ~~(k)~~ (k) Prior and pending liens.
- ~~(l)~~ (l) Adverse judgments.
- ~~(m)~~ (m) Conviction of a felony or crime involving moral turpitude.
- ~~(n)~~ (n) Prior suspension or revocation of a contractor's license in Nevada or elsewhere.
- ~~(o)~~ (o) An adjudication of bankruptcy or any other proceeding under the federal bankruptcy laws, including:
 - (1) A composition, arrangement or reorganization proceeding;
 - (2) The appointment of a receiver of the property of the applicant or contractor or any officer, director, associate or partner thereof under the laws of this State or the United States; or
 - (3) The making of an assignment for the benefit of creditors.
- ~~(p)~~ (p) Form of business organization, corporate or otherwise.
- ~~(q)~~ (q) Information obtained from confidential financial references and credit reports.
- ~~(r)~~ (r) Reputation for honesty and integrity of the applicant or contractor or any officer, director, associate or partner thereof.

3. A licensed contractor shall, as soon as it is reasonably practicable, notify the Board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment set forth in paragraph ~~(i)~~ (o) of subsection 2. The written notice must be accompanied by:

- (a) A copy of the petition or application filed with the court; and
- (b) A copy of any order of the court which is relevant to the financial responsibility of the contractor, including any order appointing a trustee, receiver or assignee.

4. Before issuing a license to an applicant who will engage in residential construction or renewing the license of a contractor who engages in residential construction, the Board may require the applicant or licensee to establish his financial responsibility by submitting to the Board:

- (a) A financial statement that is:
 - (1) Prepared by a certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) A statement setting forth the number of building permits issued to and construction projects completed by the licensee during the immediately preceding year and any other information required by the Board. The statement submitted pursuant to this paragraph must be provided on a form approved by the Board.

5. In addition to the requirements set forth in subsection 4, the Board may require a licensee to establish his financial responsibility at any time.

6. An applicant for an initial contractor's license or a licensee applying for the renewal of a contractor's license has the burden of demonstrating his financial responsibility to the Board, if the Board requests him to do so.

~~[Sec. 2.] Sec. 8. [NRS 624.265 is hereby amended to read as follows:
624.265 1. An applicant for a contractor's license or a licensed contractor and each officer, director, partner and associate thereof must possess good character. Lack of character may be established by showing that the applicant or licensed contractor, or any officer, director, partner or associate thereof, has:~~

- ~~(a) Committed any act which would be grounds for the denial, suspension or revocation of a contractor's license;~~
- ~~(b) A bad reputation for honesty and integrity;~~
- ~~(c) Entered a plea of nolo contendere or guilty to, been found guilty of or been convicted, in this State or any other jurisdiction, of a crime arising out of, in connection with or related to the activities of such person in such a manner as to demonstrate his unfitness to act as a contractor, and the time for appeal has elapsed or the judgment of conviction has been affirmed on appeal; or~~
- ~~(d) Had a license revoked or suspended for reasons that would preclude the granting or renewal of a license for which the application has been made.~~

~~2. Upon the request of the Board, an applicant for a contractor's license, and any officer, director, partner or associate of the applicant, must submit to the Board completed fingerprint cards and a form authorizing an investigation of the applicant's background and the submission of his fingerprints to the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation. The fingerprint cards and authorization form submitted must be those that are provided to the applicant by the Board. The applicant's fingerprints may be taken by an agent of the Board or an agency of law enforcement.~~

~~3. [The] Except as otherwise provided in NRS 624.160, the Board shall keep the results of the investigation confidential and not subject to inspection by the general public.~~

~~4. The Board shall establish by regulation the fee for processing the fingerprints to be paid by the applicant. The fee must not exceed the sum of the amounts charged by the Central Repository for Nevada Records of Criminal History and the Federal Bureau of Investigation for processing the fingerprints.~~

~~5. The Board may obtain records of a law enforcement agency or any other agency that maintains records of criminal history, including, without limitation, records of:~~

- ~~(a) Arrests;~~
- ~~(b) Guilty pleas;~~
- ~~(c) Sentencing;~~
- ~~(d) Probation;~~
- ~~(e) Parole;~~
- ~~(f) Bail;~~
- ~~(g) Complaints; and~~
- ~~(h) Final dispositions;~~

~~for the investigation of a licensee or an applicant for a contractor's license.] (Deleted by amendment.)~~

Sec. 9. NRS 624.280 is hereby amended to read as follows:

624.280 The Board may adopt regulations fixing the fee for an application, the fee for an examination and the ~~annual~~ fee for a license to be paid by applicants and licensees. Except as otherwise provided in NRS 624.281, the fee for:

1. An application must not exceed \$550.
2. A license must not exceed ~~[\$450 annually.] \$900 biennially.~~
3. An examination must not exceed \$300.

Sec. 10. NRS 624.283 is hereby amended to read as follows:

624.283 1. Each license issued under the provisions of this chapter expires ~~[1 year] 2 years~~ after the date on which it is issued, except that the Board may by regulation prescribe shorter or longer periods and prorated fees to establish a system of staggered *biennial* renewals. Any license which is not renewed on or before the date for renewal is automatically suspended.

2. A license may be renewed by submitting to the Board:

- (a) An application for renewal;
- (b) The fee for renewal fixed by the Board;
- (c) Any assessment required pursuant to NRS 624.470 if the holder of the license is a residential contractor as defined in NRS 624.450; and
- (d) All information required to complete the renewal.

3. The Board may require a licensee to demonstrate his financial responsibility at any time through the submission of:

- (a) A financial statement that is:
 - (1) Prepared by an independent certified public accountant; or
 - (2) Submitted on a form or in a format prescribed by the Board together with an affidavit which verifies the accuracy of the financial statement; and
- (b) If the licensee performs residential construction, such additional documentation as the Board deems appropriate.

4. If a license is automatically suspended pursuant to subsection 1, the licensee may have his license reinstated upon filing an application for renewal within 6 months after the date of suspension and paying, in addition to the fee for renewal, a fee for reinstatement fixed by the Board, if he is otherwise in good standing and there are no complaints pending against him. If he is otherwise not in good standing or there is a complaint pending, the Board shall require him to provide a current financial statement prepared by an independent certified public accountant or establish other conditions for reinstatement. An application for renewal must be accompanied by all information required to complete the renewal. A license which is not reinstated within 6 months after it is automatically suspended may be cancelled by the Board, and a new license may be issued only upon application for an original contractor's license.

~~[Sec. 3] Sec. 11. [NRS 624.327 is hereby amended to read as follows:
624.327 1. Except as otherwise provided in this section [,] and
NRS 624.160, a complaint filed with the Board, all documents and other
information filed with the complaint and all documents and other information
compiled as a result of the investigation conducted to determine whether to
initiate disciplinary action are confidential.~~

~~2. The complaint or other document filed by the Board to initiate
disciplinary action and all documents and information considered by the
Board when determining whether to impose discipline are public records.]
(Deleted by amendment.)~~

Sec. 12. NRS 624.341 is hereby amended to read as follows:

624.341 1. If the Board or its designee, based upon a preponderance of the evidence, has reason to believe that a ~~[licensee or applicant for a contractor's license]~~ person has committed an act which constitutes a ~~[cause for disciplinary action pursuant to NRS 624.300.]~~ violation of this chapter or the regulations of the Board, the Board or its designee, as appropriate, may issue or authorize the issuance of a written administrative citation to the ~~[licensee or applicant.]~~ person. A citation issued pursuant to this section may include, without limitation:

(a) An order to take action to correct a condition resulting from an act that constitutes a ~~cause for disciplinary action, at the licensee's or applicant's cost;~~ violation of this chapter or the regulations of the Board, at the person's cost;

(b) An order to pay an administrative fine ~~that~~ not to exceed \$50,000, except as otherwise provided in subsection 1 of NRS 624.300; and

(c) An order to reimburse the Board for the amount of the expenses incurred to investigate the complaint.

2. If a written citation issued pursuant to subsection 1 includes an order to take action to correct a condition resulting from an act that constitutes a ~~cause for disciplinary action;~~ violation of this chapter or the regulations of the Board, the citation must state the time permitted for compliance, which must be not less than 15 business days after the date the ~~licensee or applicant;~~ person receives the citation, and specifically describe the action required to be taken.

3. The sanctions authorized by subsection 1 are separate from, and in addition to, any other remedy, civil or criminal, authorized by this chapter.

4. The failure of an unlicensed person to comply with a citation or order after it is final is a misdemeanor. If an unlicensed person does not pay an administrative fine imposed pursuant to this section within 60 days after the order of the Board becomes final, the order may be executed upon in the same manner as a judgment issued by a court.

Sec. 13. NRS 624.345 is hereby amended to read as follows:

624.345 1. A ~~licensee or applicant for a contractor's license;~~ person who is issued a written citation pursuant to NRS 624.341 may contest the citation within 15 business days after the date on which the citation is served on the ~~licensee or applicant;~~ person.

2. A ~~licensee or applicant for a contractor's license;~~ person may contest, without limitation:

(a) The facts forming the basis for the determination that the ~~licensee or applicant;~~ person has committed an act which constitutes a ~~cause for disciplinary action;~~ violation of this chapter or the regulations of the Board;

(b) The time allowed to take any corrective action ordered;

(c) The amount of any administrative fine ordered;

(d) The amount of any order to reimburse the Board for the expenses incurred to investigate the ~~licensee or applicant;~~ person; and

(e) Whether any corrective action described in the citation is reasonable.

3. If a ~~licensee or applicant for a contractor's license;~~ person does not contest a citation issued pursuant to NRS 624.341 within 15 business days after the date on which the citation is served on the ~~licensee or applicant;~~ person, or on or before such later date as specified by the Board pursuant to subsection 4, the citation shall be deemed a final order of the Board and not subject to review by any court or agency.

4. The Board may, for good cause shown, extend the time to contest a citation issued pursuant to NRS 624.341.

5. For the purposes of this section, a citation shall be deemed to have been served on a ~~licensee or an applicant~~ person on:

(a) The date on which the citation is personally delivered to the ~~licensee or applicant~~ person; or

(b) If the citation is mailed, the date on which the citation is mailed by certified mail to the last known business or residential address of the ~~licensee or applicant~~ person.

Sec. 14. NRS 624.351 is hereby amended to read as follows:

624.351 If a ~~licensee or applicant for a contractor's license~~ person contests a citation issued pursuant to NRS 624.341 or order to correct a violation of the provisions of this chapter within 15 business days after he receives the citation or order, or on or before such later date as specified by the Board pursuant to subsection 4 of NRS 624.345, the Board shall hold a hearing pursuant to NRS 624.291.

Sec. 15. NRS 624.361 is hereby amended to read as follows:

624.361 The Board shall adopt regulations concerning the:

1. Form of a written citation issued pursuant to NRS 624.341;

2. Time required for a ~~licensee or applicant for a license~~ person to correct a condition resulting from an act that constitutes a ~~cause for disciplinary action~~ violation of this chapter or the regulations of the Board if he is so ordered pursuant to NRS 624.341; and

3. Imposition of an administrative fine pursuant to the provisions of this chapter. The Board ~~must~~ shall consider:

(a) The gravity of the violation;

(b) The good faith of the ~~licensee~~ person; and

(c) Any history of previous violations of the provisions of this chapter by the ~~licensee~~ person.

Sec. 16. NRS 624.470 is hereby amended to read as follows:

624.470 1. Except as otherwise provided in subsection 3, in addition to the ~~annual~~ fee for a license required pursuant to NRS 624.280, a residential contractor shall pay to the Board an ~~annual~~ assessment not to exceed the following amount, if the monetary limit on his license is:

Not more than \$1,000,000.....	(\$100) <u>\$200 per biennium</u>
More than \$1,000,000 but limited.....	(\$250) <u>500 per biennium</u>
Unlimited.....	(\$500) <u>1,000 per biennium</u>

2. The Board shall administer and account separately for the money received from the ~~annual~~ assessments collected pursuant to subsection 1. The Board may refer to the money in the account as the "Recovery Fund."

3. The Board shall reduce the amount of the assessments collected pursuant to subsection 1 when the balance in the account reaches 150 percent of the largest balance in the account during the previous fiscal year.

4. Except as otherwise provided in NRS 624.540, the money in the account must be used to pay claims made by owners who are damaged by the failure of a residential contractor to perform qualified services adequately, as provided in NRS 624.400 to 624.560, inclusive.

Sec. 17. NRS 624.710 is hereby amended to read as follows:

624.710 1. If any person violates the provisions of subsection 1 of NRS 624.700, subsections 1, 2 or 3 of NRS 624.720 or NRS 624.740, the Board may impose for each violation an administrative fine in an amount that is not less than \$1,000 and not more than \$50,000.

2. The Board shall, by regulation, establish standards for use by the Board in determining the amount of an administrative fine imposed pursuant to this section. The standards must include, without limitation, provisions requiring the Board to consider:

- (a) The gravity of the violation;
- (b) The good faith of the person; and
- (c) Any history of previous violations of the provisions of this chapter or the regulations of the Board committed by the person.

3. An administrative fine imposed pursuant to this section is in addition to any other penalty imposed pursuant to this chapter.

4. If the administrative fine and any interest imposed pursuant to NRS 624.300 is not paid when due, the fine and interest, if any, must be recovered in a civil action brought by the Attorney General on behalf of the Board.

5. All administrative fines and interest collected pursuant to this section must be deposited with the State Treasurer for credit to the Construction Education Account created pursuant to NRS 624.580.

Sec. 18. NRS 338.1389 is hereby amended to read as follows:

338.1389 1. Except as otherwise provided in subsection 10 and NRS 338.1385, 338.1386 and 338.13864, a public body or its authorized representative shall award a contract for a public work for which the estimated cost exceeds \$250,000 to the contractor who submits the best bid.

2. Except as otherwise provided in subsection 10 or limited by subsection 11, the lowest bid that is:

- (a) Submitted by a responsive and responsible contractor who:
 - (1) Has been determined by the public body to be a qualified bidder pursuant to NRS 338.1379 or 338.1382; and
 - (2) At the time he submits his bid, has a valid certificate of eligibility to receive a preference in bidding on public works issued to the contractor by the State Contractors' Board pursuant to subsection 3 or 4; and

- (b) Not more than 5 percent higher than the bid submitted by the lowest responsive and responsible bidder who does not have, at the time he submits his bid, a valid certificate of eligibility to receive a preference in bidding on public works issued to him by the State Contractors' Board pursuant to subsection 3 or 4,

↪ shall be deemed to be the best bid for the purposes of this section.

3. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a general contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to

the Board an affidavit from a certified public accountant setting forth that the general contractor has, while licensed as a general contractor in this State:

(a) Paid directly, on his own behalf:

(1) The sales and use taxes imposed pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this State, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this State that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant;

(2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this State of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or

(3) Any combination of such sales and use taxes and governmental services tax; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:

(1) License as a general contractor pursuant to the provisions of chapter 624 of NRS; and

(2) Certificate of eligibility to receive a preference in bidding on public works.

4. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a specialty contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the specialty contractor has, while licensed as a specialty contractor in this State:

(a) Paid directly, on his own behalf:

(1) The sales and use taxes pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this State, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this State that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant;

(2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this State of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or

(3) Any combination of such sales and use taxes and governmental services tax; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:

(1) License as a specialty contractor pursuant to the provisions of chapter 624 of NRS; and

(2) Certificate of eligibility to receive a preference in bidding on public works.

5. For the purposes of complying with the requirements set forth in paragraph (a) of subsection 3 and paragraph (a) of subsection 4, a contractor shall be deemed to have paid:

(a) Sales and use taxes and governmental services taxes that were paid in this State by an affiliate or parent company of the contractor, if the affiliate or parent company is also a general contractor or specialty contractor, as applicable; and

(b) Sales and use taxes that were paid in this State by a joint venture in which the contractor is a participant, in proportion to the amount of interest the contractor has in the joint venture.

6. A contractor who has received a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to subsection 3 or 4 shall, at the time for the ~~annual~~ renewal of his contractor's license pursuant to NRS 624.283, submit to the Board an affidavit from a certified public accountant setting forth that the contractor has, during the immediately preceding 12 months, paid the taxes required pursuant to paragraph (a) of subsection 3 or paragraph (a) of subsection 4, as applicable, to maintain his eligibility to hold such a certificate.

7. A contractor who fails to submit an affidavit to the Board pursuant to subsection 6 ceases to be eligible to receive a preference in bidding on public works unless he reapplies for and receives a certificate of eligibility pursuant to subsection 3 or 4, as applicable.

8. If a contractor holds more than one contractor's license, he must submit

a separate application for each license pursuant to which he wishes to qualify for a preference in bidding. Upon issuance, the certificate of eligibility to receive a preference in bidding on public works becomes part of the contractor's license for which the contractor submitted the application.

9. If a contractor who applies to the State Contractors' Board for a certificate of eligibility to receive a preference in bidding on public works submits false information to the Board regarding the required payment of taxes, the contractor is not eligible to receive a preference in bidding on public works for a period of 5 years after the date on which the Board becomes aware of the submission of the false information.

10. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of subsection 2, those provisions do not apply

insofar as their application would preclude or reduce federal assistance for that work.

11. If a bid is submitted by two or more contractors as a joint venture or by one of them as a joint venturer, the bid may be deemed the best bid only if both or all of the joint venturers separately meet the requirements of subsection 2.

12. The State Contractors' Board shall adopt regulations and may assess reasonable fees relating to the certification of contractors for a preference in bidding on public works.

13. A person or entity who believes that a contractor wrongfully holds a certificate of eligibility to receive a preference in bidding on public works may challenge the validity of the certificate by filing a written objection with the public body to which the contractor has submitted a bid on a contract for the construction of a public work. A written objection authorized pursuant to this subsection must:

(a) Set forth proof or substantiating evidence to support the belief of the person or entity that the contractor wrongfully holds a certificate of eligibility to receive a preference in bidding on public works; and

(b) Be filed with the public body not later than 3 business days after the opening of the bids by the public body or its authorized representative.

14. If a public body receives a written objection pursuant to subsection 13, the public body shall determine whether the objection is accompanied by the proof or substantiating evidence required pursuant to paragraph (a) of that subsection. If the public body determines that the objection is not accompanied by the required proof or substantiating evidence, the public body shall dismiss the objection and the public body or its authorized representative may proceed immediately to award the contract. If the public body determines that the objection is accompanied by the required proof or substantiating evidence, the public body shall determine whether the contractor qualifies for the certificate pursuant to the provisions of this section and the public body or its authorized representative may proceed to award the contract accordingly.

Sec. 19. NRS 338.147 is hereby amended to read as follows:

338.147 1. Except as otherwise provided in subsection 10 and NRS 338.143, 338.1442 and 338.1446, a local government or its authorized representative shall award a contract for a public work for which the estimated cost exceeds \$250,000 to the contractor who submits the best bid.

2. Except as otherwise provided in subsection 10 or limited by subsection 11, the lowest bid that is:

(a) Submitted by a contractor who:

(1) Has been found to be a responsible and responsive contractor by the local government or its authorized representative; and

(2) At the time he submits his bid, has a valid certificate of eligibility to receive a preference in bidding on public works issued to the contractor by the State Contractors' Board pursuant to subsection 3 or 4; and

(b) Not more than 5 percent higher than the bid submitted by the lowest responsive and responsible bidder who does not have, at the time he submits the bid, a valid certificate of eligibility to receive a preference in bidding on public works issued to him by the State Contractors' Board pursuant to subsection 3 or 4,

➔ shall be deemed to be the best bid for the purposes of this section.

3. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a general contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the general contractor has, while licensed as a general contractor in this State:

(a) Paid directly, on his own behalf:

(1) The sales and use taxes imposed pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this State, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this State that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant;

(2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this State of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or

(3) Any combination of such sales and use taxes and governmental services tax; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:

(1) License as a general contractor pursuant to the provisions of chapter 624 of NRS; and

(2) Certificate of eligibility to receive a preference in bidding on public works.

4. The State Contractors' Board shall issue a certificate of eligibility to receive a preference in bidding on public works to a specialty contractor who is licensed pursuant to the provisions of chapter 624 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the specialty contractor has, while licensed as a specialty contractor in this State:

(a) Paid directly, on his own behalf:

(1) The sales and use taxes pursuant to chapters 372, 374 and 377 of NRS on materials used for construction in this State, including, without limitation, construction that is undertaken or carried out on land within the boundaries of this State that is managed by the Federal Government or is on an Indian reservation or Indian colony, of not less than \$5,000 for each

consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant;

(2) The governmental services tax imposed pursuant to chapter 371 of NRS on the vehicles used in the operation of his business in this State of not less than \$5,000 for each consecutive 12-month period for 60 months immediately preceding the submission of the affidavit from the certified public accountant; or

(3) Any combination of such sales and use taxes and governmental services tax; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating construction firm that possesses a:

(1) License as a specialty contractor pursuant to the provisions of chapter 624 of NRS; and

(2) Certificate of eligibility to receive a preference in bidding on public works.

5. For the purposes of complying with the requirements set forth in paragraph (a) of subsection 3 and paragraph (a) of subsection 4, a contractor shall be deemed to have paid:

(a) Sales and use taxes and governmental services taxes paid in this State by an affiliate or parent company of the contractor, if the affiliate or parent company is also a general contractor or specialty contractor, as applicable; and

(b) Sales and use taxes paid in this State by a joint venture in which the contractor is a participant, in proportion to the amount of interest the contractor has in the joint venture.

6. A contractor who has received a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to subsection 3 or 4 shall, at the time for the ~~annual~~ renewal of his contractor's license pursuant to NRS 624.283, submit to the Board an affidavit from a certified public accountant setting forth that the contractor has, during the immediately preceding 12 months, paid the taxes required pursuant to paragraph (a) of subsection 3 or paragraph (a) of subsection 4, as applicable, to maintain his eligibility to hold such a certificate.

7. A contractor who fails to submit an affidavit to the Board pursuant to subsection 6 ceases to be eligible to receive a preference in bidding on public works unless he reapplies for and receives a certificate of eligibility pursuant to subsection 3 or 4, as applicable.

8. If a contractor holds more than one contractor's license, he must submit

a separate application for each license pursuant to which he wishes to qualify for a preference in bidding. Upon issuance, the certificate of eligibility to receive a preference in bidding on public works becomes part of the contractor's license for which the contractor submitted the application.

9. If a contractor who applies to the State Contractors' Board for a certificate of eligibility to receive a preference in bidding on public works submits false information to the Board regarding the required payment of taxes, the contractor is not eligible to receive a preference in bidding on public works for a period of 5 years after the date on which the Board becomes aware of the submission of the false information.

10. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of subsection 2, those provisions do not apply insofar as their application would preclude or reduce federal assistance for that work.

11. If a bid is submitted by two or more contractors as a joint venture or by one of them as a joint venturer, the bid may be deemed a best bid only if both or all of the joint venturers separately meet the requirements of subsection 2.

12. The State Contractors' Board shall adopt regulations and may assess reasonable fees relating to the certification of contractors for a preference in bidding on public works.

13. A person or entity who believes that a contractor wrongfully holds a certificate of eligibility to receive a preference in bidding on public works may challenge the validity of the certificate by filing a written objection with the local government to which the contractor has submitted a bid on a contract for the construction of a public work. A written objection authorized pursuant to this subsection must:

(a) Set forth proof or substantiating evidence to support the belief of the person or entity that the contractor wrongfully holds a certificate of eligibility to receive a preference in bidding on public works; and

(b) Be filed with the local government not later than 3 business days after the opening of the bids by the local government or its authorized representative.

14. If a local government receives a written objection pursuant to subsection 13, the local government shall determine whether the objection is accompanied by the proof or substantiating evidence required pursuant to paragraph (a) of that subsection. If the local government determines that the objection is not accompanied by the required proof or substantiating evidence, the local government shall dismiss the objection and the local government or its authorized representative may proceed immediately to award the contract. If the local government determines that the objection is accompanied by the required proof or substantiating evidence, the local government shall determine whether the contractor qualifies for the certificate pursuant to the provisions of this section and the local government or its authorized representative may proceed to award the contract accordingly.

Sec. 20. The amendatory provisions of section 10 of this act do not apply to a license issued pursuant to chapter 624 of NRS before the effective date of

this act until the first renewal date for the license after the effective date of this act.

~~[Sec. 4.]~~ Sec. 21. This act becomes effective upon passage and approval.

Senator Carlton moved the adoption of the amendment.

Remarks by Senators Carlton, Care, Hardy and Lee.

Senator Care requested that his remarks be entered in the Journal.

Thank you, Mr. President pro Tempore. I am going to oppose this amendment. My focus is on the last provision addressed by the previous speaker. Her comment addressed section 4, subsection 2(d) and the deletion of the language "upon request, disclose and disseminate to a member of the public a compilation of statistical data regarding complaints on a specific contractor."

A few years ago, I needed to replace my roof. I called the Better Business Bureau and the Consumer Affairs Division and offered up a few names of roofing contractors. There are several of them in southern Nevada who are glad to take your money, but they do not have your best interest at heart. I received the statistics I was looking for. This is an opportunity for the Legislature to make additional information available from the Contractors' Board to consumers. I understand the explanation, but we are here to serve the people of this State, not the courts. It is a shame we have to wait two years before we can put language like this into law. Thank you.

Senator Lee moved that Senate Bill No. 279 be taken from the Second Reading File and placed on the Second Reading File for the next legislative day.

Remarks by Senator Lee.

Motion carried.

Senate Bill No. 306.

Bill read second time.

The following amendment was proposed by the Committee on Natural Resources:

Amendment No. 349.

"SUMMARY—Regulates the operation of a motorboat equipped with an engine cut-off switch. (BDR 43-81)"

"AN ACT relating to watercraft; prohibiting the operation of a motorboat that is equipped with an engine cut-off switch in excess of a certain rate of speed if the engine cut-off switch or engine cut-off switch link is missing, disconnected or not operating properly; prohibiting the operation of such a motorboat in excess of a certain rate of speed unless the engine cut-off switch link is attached to the body, clothing or personal flotation device of the operator; providing a penalty; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law governs the operation of motorboats and other vessels on the waters of this State. (Chapter 488 of NRS) Existing law also provides that any person who violates any of the provisions of chapter 488 of NRS is guilty of a misdemeanor. (NRS 488.950)

This bill establishes safety standards for the operation of motorboats that are equipped with engine cut-off switches. An engine cut-off switch

automatically stops the engine of a motorboat if the operator of the motorboat becomes separated from it. The engine cut-off switch is activated by a mechanical or wireless device which serves as a link between the operator and the engine cut-off switch. This bill prohibits a person who owns or controls a motorboat that is equipped with an engine cut-off switch from operating or authorizing another person to operate the motorboat at a rate of speed greater than 5 nautical miles per hour if the engine cut-off switch or engine cut-off switch link is missing, disconnected or not operating properly. This bill also prohibits any person from operating such a motorboat at a rate of speed greater than 5 nautical miles per hour unless the engine cut-off switch link is attached to his body, clothing or personal flotation device.

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

Section 1. Chapter 488 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A person who owns or controls a motorboat that is equipped with an engine cut-off switch shall not operate or authorize another person to operate the motorboat at a rate of speed greater than 5 nautical miles per hour if the engine cut-off switch or engine cut-off switch link is missing, disconnected or not operating properly.*

2. *A person shall not operate a motorboat that is equipped with an engine cut-off switch at a rate of speed greater than 5 nautical miles per hour unless the engine cut-off switch link is attached to his body, clothing or personal flotation device.*

3. *As used in this section:*

(a) *"Engine cut-off switch" means a switch that automatically stops the engine of a motorboat if activated by an engine cut-off switch link.*

(b) *"Engine cut-off switch link" means a device that, if attached to an operator, activates an engine cut-off switch if the operator is separated from the motorboat. The term includes a lanyard or other mechanical device and a wireless cut-off device.*

(c) *"Wireless cut-off device" means an engine cut-off switch link that transmits an electromagnetic signal to an engine cut-off switch.*

Senator Rhoads moved the adoption of the amendment.

Remarks by Senator Rhoads.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 315.

Bill read second time.

The following amendment was proposed by the Committee on Transportation and Homeland Security:

Amendment No. 101.

"SUMMARY—Imposes certain conditions before a special license plate may be ~~created and issued if it is intended to generate financial support for~~

~~an organization which is not a governmental entity.]~~ *designed, prepared and issued.* (BDR 43-859)"

"AN ACT relating to motor vehicles; imposing certain conditions on certain organizations before a special license plate may be ~~created]~~ *designed, prepared and issued*; ~~[if it is intended to generate financial support for an organization which is not a governmental entity;]~~ and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law authorizes a person to request the Department of Motor Vehicles to design, prepare and issue a special license plate by submitting an application to the Department. (NRS 482.367002) This bill provides that a person may only submit an application for a special license plate that is intended to generate support for ~~an] a nonprofit charitable organization [which is not] or~~ a governmental entity if the organization ~~[is a nonprofit charitable organization and satisfies]~~ or entity only uses the financial support generated by the special license plate for charitable purposes relating to public health, education or general welfare and certain ~~other]~~ criteria ~~[]~~ are met.

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

Section 1. NRS 482.367002 is hereby amended to read as follows:

482.367002 1. A person may request that the Department design, prepare and issue a special license plate by submitting an application to the Department. *A person may submit an application for a special license plate that is intended to generate financial support for an organization* ~~which is not a governmental entity]~~ only if:

(a) ~~[The]~~ For an organization which is not a governmental entity, the organization is established as a nonprofit charitable organization which provides services to the community relating to public health, education or general welfare;

(b) For an organization which is a governmental entity, the organization only uses the financial support generated by the special license plate for charitable purposes relating to public health, education or general welfare;

~~[(b)]~~ (c) The organization is registered with the Secretary of State, if registration is required by law, and has filed any documents required to remain registered with the Secretary of State;

~~[(c)]~~ (d) The name and purpose of the organization do not promote, advertise or endorse any specific product, brand name or service that is offered for ~~sale, and]~~ profit;

~~[(d)]~~ (e) The organization is nondiscriminatory ~~[, nondenominational and does not encourage or discourage any religious belief or activity.];~~ and

(f) The license plate will not promote a specific religion, faith or antireligious belief.

2. An application submitted to the Department pursuant to subsection 1:

(a) Must be on a form prescribed and furnished by the Department;

(b) Must be accompanied by a petition containing the signatures of at least 1,000 persons who wish to obtain the special license plate;

(c) Must specify whether the special license plate being requested is intended to generate financial support for a particular cause or charitable organization and, if so, the name of the cause or charitable organization; ~~and~~

(d) ~~If the special license plate being requested is intended to generate financial support for a charitable organization which is not a governmental entity, must~~ Must include proof that the organization satisfies the requirements set forth in subsection 1; and

(e) May be accompanied by suggestions for the design of and colors to be used in the special license plate.

3. The Department may design and prepare a special license plate requested pursuant to subsection 1 if:

(a) The Department determines that the application for that plate complies with subsection 2; and

(b) The Commission on Special License Plates approves the application for that plate pursuant to subsection 5 of NRS 482.367004.

4. Except as otherwise provided in NRS 482.367008, the Department may issue a special license plate that:

(a) The Department has designed and prepared pursuant to this section;

(b) The Commission on Special License Plates has approved for issuance pursuant to subsection 5 of NRS 482.367004; and

(c) Complies with the requirements of subsection 8 of NRS 482.270,

↪ for any passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with a special license plate issued pursuant to this section if that person pays the fees for personalized prestige license plates in addition to the fees for the special license plate.

5. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services tax due pursuant to NRS 482.399; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 2. The provisions of this act do not apply to any special license plate which was approved by the Commission on Special License Plates or authorized by the Legislature before the effective date of this act.

~~Sec. 2.~~ Sec. 3. This act becomes effective upon passage and approval.

Senator Nolan moved the adoption of the amendment.

Remarks by Senators Nolan and Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 369.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 494.

"SUMMARY—Revises provisions concerning the recording of ~~declarations of homestead~~ *certain documents*. (BDR 20-58)"

"AN ACT relating to county recorders; authorizing a county recorder to conform the size of a declaration of homestead that does not meet certain formatting requirements for recording; ~~eliminating~~ *revising provisions governing* the additional fee charged by a county recorder for recording ~~such a declaration of homestead~~ *certain documents that do not meet those formatting requirements*; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill allows a county recorder to conform the size of a declaration of homestead that does not meet specific formatting requirements for recording so that the declaration is suitable for recording by a method used by the recorder to preserve his records. (NRS 247.120) ~~Section 2 of this bill eliminates the additional fee of \$25 that a county recorder is required~~ *Existing law requires a county recorder to charge and collect, in addition to any fee the recorder is otherwise authorized to charge and collect, a fee of \$25 for recording ~~a homestead exemption~~ certain documents that ~~does~~ do not meet those specific formatting requirements. (NRS 247.110, 247.305) Section 2 of this bill makes the imposition of the additional fee optional instead of mandatory. Section 2 also makes \$25 the maximum amount that may be imposed for such a fee, thereby allowing county recorders to charge a lower amount.*

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

Section 1. NRS 247.120 is hereby amended to read as follows:

247.120 1. Except as otherwise provided in NRS 247.145, each county recorder shall, upon the payment of the prescribed statutory fees, record separately, in a manner which will allow a legible copy to be made, the following specified documents:

(a) Deeds, grants, patents issued by the State of Nevada or by the United States, transfers and mortgages of real estate, releases of mortgages of real estate, powers of attorney to convey real estate, and leases of real estate which have been acknowledged or proved.

(b) Certificates of marriage and marriage contracts.

- (c) Wills admitted to probate.
- (d) Official bonds.
- (e) Notice of mechanics' liens.
- (f) Transcripts of judgments which by law are made liens upon real estate in this State and affidavits of renewal of those judgments.
- (g) Notices of attachment upon real estate.
- (h) Notices of the pendency of an action affecting real estate, the title thereto or the possession thereof.
- (i) Instruments describing or relating to the separate property of married persons.
- (j) Notice of preemption claims.
- (k) Notices and certificates of location of mining claims.
- (l) Affidavits of proof of annual labor on mining claims.
- (m) Affidavits of intent to hold mining claims recorded pursuant to subsection 3 of NRS 517.230.
- (n) Certificates of sale.
- (o) Judgments or decrees.
- (p) Declarations of homesteads.
- (q) Such other writings as are required or permitted by law to be recorded.

2. Each of the documents named in paragraph (a) of subsection 1 may be recorded in separate books in the discretion of the county recorder.

3. ~~Before~~ *Except as otherwise provided in this subsection, before accepting for recording any document enumerated in subsection 1, the county recorder shall require a document suitable for recording by a method used by the recorder to preserve his records. The county recorder may conform the size of a declaration of homestead that does not meet the formatting requirements set forth in subsection 3 of NRS 247.110 so that the declaration is suitable for recording by a method used by the recorder to preserve his records. If any rights may be adversely affected because of a delay in recording caused by this requirement, the county recorder shall accept the document conditionally subject to submission of a suitable document at a later date. Before accepting a document conditionally, the recorder shall require the person who requests the recording to sign a statement that the person has been advised of the requirements described in this subsection and record the statement with the document.*

Sec. 2. NRS 247.305 is hereby amended to read as follows:

247.305 1. If another statute specifies the fee to be charged for a service, county recorders shall charge and collect only the fee specified. Otherwise, unless prohibited by NRS 375.060, county recorders shall charge and collect the following fees:

- For recording any document, for the first page \$10
- For each additional page 1
- For recording each portion of a document which must be separately indexed, after the first indexing..... 3
- For copying any record, for each page 1

For certifying, including certificate and seal	4
For a certified copy of a certificate of marriage	10
For a certified abstract of a certificate of marriage.....	10

2. Except as otherwise provided in this subsection and NRS 375.060, a county recorder may charge and collect, in addition to any fee that a county recorder is otherwise authorized to charge and collect, an additional fee not to exceed \$3 for recording a document, instrument, paper, notice, deed, conveyance, map, chart, survey or any other writing. A county recorder may not charge the additional fee authorized in this subsection for recording the originally signed copy of a certificate of marriage described in NRS 122.120. On or before the fifth day of each month, the county recorder shall pay the amount of fees collected by him pursuant to this subsection to the county treasurer for credit to the account established pursuant to NRS 247.306.

3. Except as otherwise provided in this subsection and NRS 375.060, a county recorder shall charge and collect, in addition to any fee that a county recorder is otherwise authorized to charge and collect, an additional fee of \$1 for recording a document, instrument, paper, notice, deed, conveyance, map, chart, survey or any other writing. A county recorder shall not charge the additional fee authorized in this subsection for recording the originally signed copy of a certificate of marriage described in NRS 122.120. On or before the fifth day of each month, the county recorder shall pay the amount of fees collected by him pursuant to this subsection to the county treasurer. On or before the 15th day of each month, the county treasurer shall remit the money received by him pursuant to this subsection to the State Treasurer for credit to the Account to Assist Persons Formerly in Foster Care established pursuant to NRS 432.017.

4. Except as otherwise provided in this subsection, subsection 5 or by specific statute, a county recorder ~~shall~~ may charge and collect, in addition to any fee that a county recorder is otherwise authorized to charge and collect, an additional fee ~~of~~ not to exceed \$25 for recording any document that does not meet the standards set forth in subsection 3 of NRS 247.110. A county recorder shall not charge the additional fee authorized by this subsection for recording a ~~declaration of homestead that does not meet the formatting requirements set forth in subsection 3 of NRS 247.110 or a~~ document that is exempt from the provisions of subsection 3 of NRS 247.110.

5. Except as otherwise provided in subsection 6, a county recorder shall not charge or collect any fees for any of the services specified in this section when rendered by him to:

- (a) The county in which his office is located.
- (b) The State of Nevada or any city or town within the county in which his office is located, if the document being recorded:
 - (1) Conveys to the State, or to that city or town, an interest in land;
 - (2) Is a mortgage or deed of trust upon lands within the county which names the State or that city or town as beneficiary;

(3) Imposes a lien in favor of the State or that city or town; or

(4) Is a notice of the pendency of an action by the State or that city or town.

6. A county recorder shall charge and collect the fees specified in this section for copying any document at the request of the State of Nevada, and any city or town within the county. For copying, and for his certificate and seal upon the copy, the county recorder shall charge the regular fee.

7. For the purposes of this section, "State of Nevada," "county," "city" and "town" include any department or agency thereof and any officer thereof in his official capacity.

8. Except as otherwise provided in subsection 2 or 3 or by an ordinance adopted pursuant to the provisions of NRS 244.207, county recorders shall, on or before the fifth working day of each month, account for and pay to the county treasurer all such fees collected during the preceding month.

Sec. 3. NRS 247.410 is hereby amended to read as follows:

247.410 A county recorder is liable to a party aggrieved for three times the amount of the damages that may be occasioned thereby if the county recorder:

1. Neglects or refuses to record a document that is authorized, entitled or required by law to be recorded within a reasonable time after receiving the document;

2. Records a document willfully or negligently, untruly or in any other manner than is directed in this chapter;

3. Neglects or refuses to maintain in his office such indexes as are required by this chapter, or to make the proper entries therein; or

4. ~~Alters,~~ *Except as otherwise provided in subsection 3 of NRS 247.120, alters,* changes or obliterates any record or any filed document deposited in his office, or inserts any new matter therein.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 410.

Bill read second time.

The following amendment was proposed by the Committee on Commerce and Labor:

Amendment No. 405.

"SUMMARY—Provides for the licensure and regulation of computer forensics examiners. (BDR 54-886)"

"AN ACT relating to computer forensics examiners; providing a definition of computer forensics examiner; requiring licensure of a computer forensics examiner; providing requirements for a license as a computer forensics examiner; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides for the licensure and regulation of various investigation and security-related professions. (Chapter 648 of NRS) Section 1 of this bill defines the term "computer forensics examiner." Section 5 of this bill requires that a person be licensed before engaging in the business of computer forensics examiner. Section 6 of this bill provides requirements for the licensure of a computer forensics examiner. Sections 3 and 4 of this bill revise provisions of chapter 648 of NRS to account for the addition of computer forensics examiners.

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

Section 1. Chapter 648 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *"Computer forensics examiner" means a person who engages in the business of, or accepts employment using, specialized computer techniques for the recovery or analysis of digital information from any computer or digital storage device with the intent to preserve evidence, and who as a part of his business provides reports or testimony in regards to that information.*

2. *A computer forensics examiner is specifically limited to the activities described in subsection 1.*

3. *The term "computer forensics examiner" does not apply to ~~it~~ :*

(a) A computer repair person who engages in the mere repair or recovery of hardware, software or electronic data for nonforensic purposes ~~it~~;

(b) Information security personnel who may, in the course of their work, examine suspect electronic devices; or

(c) Information technology personnel who may, in the course of their work, be involved in network or computer maintenance.

Sec. 2. NRS 648.005 is hereby amended to read as follows:

648.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 648.006 to 648.016, inclusive, *and section 1 of this act* have the meanings ascribed to them in those sections.

Sec. 3. NRS 648.017 is hereby amended to read as follows:

648.017 The purpose of licensing private investigators, private patrolmen, process servers, repossessors, dog handlers, security consultants, *computer forensics examiners* and polygraphic examiners and interns is to protect the public safety and general welfare of the people of this State. Any license issued pursuant to this chapter is a privilege that may be revoked in accordance with disciplinary procedures set forth in this chapter and in regulations adopted by the Board pursuant thereto, and no holder of such a license acquires thereby any vested right.

Sec. 4. NRS 648.018 is hereby amended to read as follows:

648.018 Except as to polygraphic examiners and interns, this chapter does not apply:

1. *To any detective, ~~or~~ officer, special agent, investigator, examiner or other specialized employee belonging to ~~the~~ a law enforcement*

~~[agencies]~~ or information technology agency of the State of Nevada or the United States, or of any county or city of the State of Nevada, while the ~~[detective or officer]~~ employee is engaged in the performance of his official duties.

2. To special police officers appointed by the police department of any city, county, or city and county within the State of Nevada while the officer is engaged in the performance of his official duties.

3. To insurance adjusters and their associate adjusters licensed pursuant to the Nevada Insurance Adjusters Law who are not otherwise engaged in the business of private investigators.

4. To any private investigator, private patrolman, process server, dog handler, *computer forensics examiner* or security consultant employed by an employer regularly in connection with the affairs of that employer if a bona fide employer-employee relationship exists, except as otherwise provided in NRS 648.060, 648.140 and 648.203.

5. To a reposessor employed exclusively by one employer regularly in connection with the affairs of that employer if a bona fide employer-employee relationship exists, except as otherwise provided in NRS 648.060, 648.140 and 648.203.

6. To a person engaged exclusively in the business of obtaining and furnishing information as to the financial rating of persons.

7. To a charitable philanthropic society or association incorporated under the laws of this State which is organized and maintained for the public good and not for private profit.

8. To an attorney at law in performing his duties as such.

9. To a collection agency unless engaged in business as a reposessor, licensed by the Commissioner of Financial Institutions, or an employee thereof while acting within the scope of his employment while making an investigation incidental to the business of the agency, including an investigation of the location of a debtor or his assets and of property which the client has an interest in or lien upon.

10. To admitted insurers and agents and insurance brokers licensed by the State, performing duties in connection with insurance transacted by them.

11. To any bank organized pursuant to the laws of this State or to any national bank engaged in banking in this State.

12. To any person employed to administer a program of supervision for persons who are serving terms of residential confinement.

Sec. 5. NRS 648.060 is hereby amended to read as follows:

648.060 1. No person may:

(a) Engage in the business of private investigator, private patrolman, process server, reposessor, dog handler, security consultant, *computer forensics examiner*, or polygraphic examiner or intern; or

(b) Advertise his business as such, irrespective of the name or title actually used,

↪ unless he is licensed pursuant to this chapter.

2. No person may be employed by a licensee unless the person holds a work card issued by the sheriff of the county in which the work is to be performed. The provisions of this subsection do not apply to a person licensed pursuant to this chapter.

3. A person licensed pursuant to this chapter may employ only another licensee, or a nonlicensed person who:

(a) Is at least 18 years of age.

(b) Is a citizen of the United States or lawfully entitled to remain and work in the United States.

(c) Is of good moral character and temperate habits.

(d) Has not been convicted of a felony or a crime involving moral turpitude or the illegal use or possession of a dangerous weapon.

Sec. 6. NRS 648.110 is hereby amended to read as follows:

648.110 1. Before the Board grants any license, the applicant, including each director and officer of a corporate applicant, must:

(a) Be at least 21 years of age.

(b) Be a citizen of the United States or lawfully entitled to remain and work in the United States.

(c) Be of good moral character and temperate habits.

(d) Have no conviction of:

(1) A felony relating to the practice for which the applicant wishes to be licensed; or

(2) Any crime involving moral turpitude or the illegal use or possession of a dangerous weapon.

2. Each applicant, or the qualifying agent of a corporate applicant, must:

(a) If an applicant for a private investigator's license, have at least 5 years' experience as an investigator, or the equivalent thereof, as determined by the Board.

(b) If an applicant for a reposessor's license, have at least 5 years' experience as a reposessor, or the equivalent thereof, as determined by the Board.

(c) If an applicant for a private patrolman's license, have at least 5 years' experience as a private patrolman, or the equivalent thereof, as determined by the Board.

(d) If an applicant for a process server's license, have at least 2 years' experience as a process server, or the equivalent thereof, as determined by the Board.

(e) If an applicant for a dog handler's license, demonstrate to the satisfaction of the Board his ability to handle, supply and train watchdogs.

(f) If an applicant for a license as an intern, have:

(1) Received:

(I) A baccalaureate degree from an accredited college or university and have at least 1 year's experience in investigation or polygraphic examination satisfactory to the Board;

(II) An associate degree from an accredited college or university and have at least 3 years' experience; or

(III) A high school diploma or its equivalent and have at least 5 years' experience; and

(2) Satisfactorily completed a basic course of instruction in polygraphic techniques satisfactory to the Board.

(g) If an applicant for a license as a polygraphic examiner:

(1) Meet the requirements contained in paragraph (f);

(2) Have actively conducted polygraphic examinations for at least 2 years;

(3) Have completed successfully at least 250 polygraphic examinations, including at least 100 examinations concerning specific inquiries as distinguished from general examinations for the purpose of screening;

(4) Have completed successfully at least 50 polygraphic examinations, including 10 examinations concerning specific inquiries, during the 12 months immediately before the date of his application; and

(5) Have completed successfully at least 24 hours of advanced polygraphic training acceptable to the Board during the 2 years immediately before the date of his application.

(h) *If an applicant for a license as a computer forensics examiner, ~~he~~ currently certified as an:*

~~(1) EnCase Certified Examiner by Guidance Software, Inc., or its successor organization;~~

~~(2) AccessData Certified Examiner by the AccessData Corp. or its successor organization;~~

~~(3) Certified Computer Examiner by the International Society of Forensic Computer Examiners or its successor organization; or~~

~~(4) Certified Forensic Computer Examiner by the International Association of Computer Investigative Specialists or its successor organization.] have:~~

(1) Not less than 18 months of work experience or a bachelor's degree from an accredited college or university in computer forensics or a related field; and

(2) Been certified as a Certified Computer Examiner by the International Society of Forensic Computer Examiners or its successor organization, or received an alternative certification consisting of both a written examination and a practicum as set forth by the Board by regulation.

(i) Meet other requirements as determined by the Board.

3. The Board, when satisfied from recommendations and investigation that the applicant is of good character, competency and integrity, may issue and deliver a license to the applicant entitling him to conduct the business for which he is licensed, for the period which ends on July 1 next following the date of issuance.

4. For the purposes of this section, 1 year of experience consists of 2,000 hours of experience.

Senator Carlton moved the adoption of the amendment.

Remarks by Senator Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 447.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 180.

"SUMMARY—Makes various changes to the Charter of Carson City. (BDR S-324)"

"AN ACT relating to the Charter of Carson City; ~~revising the authority of Carson City to provide water service;~~ increasing the number of persons employed in the Office of the Sheriff of Carson City who are exempt from the Merit Personnel System; providing that in a vacancy in the Office of Mayor that the Mayor Pro Tempore shall serve as Mayor until the next general election; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

~~[Existing law authorizes the Board of Supervisors of Carson City to acquire, improve, equip, operate and maintain a water project. (Carson City Charter § 2.275) Section 1 of this bill amends this provision to set forth the specific powers of the Board to provide adequate and efficient water service to the residents of Carson City.]~~

Existing law requires the Board of Supervisors *of Carson City* to establish a Merit Personnel System. Currently, five employees in the Office of the Sheriff are exempt from the System. (Carson City Charter § 2.330) Section 2 of this bill increases that number to six.

Existing law provides that the Board of Supervisors shall elect one of its members to serve as Mayor Pro Tempore. (Carson City Charter § 3.015) Section 3 of this bill provides that if the Office of Mayor becomes vacant, the Mayor Pro Tempore shall serve as Mayor until the next general election.

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

Section 1. ~~[Section 2.275 of the Charter of Carson City, being chapter 92, Statutes of Nevada 1979, at page 147, is hereby amended to read as follows:~~

~~Sec. 2.275 — Power of Board: [Water project.] Provision of adequate and efficient water service.~~

~~[1.] The Board may [at any time or from time to time acquire, improve, equip, operate and maintain a water project within or without or both within and without Carson City.~~

~~2.—As used in subsection 1, "water project" means facilities pertaining to a municipal water system for the collection, transportation, treatment, purification and distribution of water, including without~~

~~limitation springs, wells, ponds, lakes, other raw water sources, basin cribs, dams, spillways, retarding basins, detention basins, reservoirs, towers, other storage facilities, pumping plants, infiltration galleries, filtration plants, purification systems, other water treatment facilities, power plants, waterwork plants, pumping stations, gauging stations, ventilating facilities, stream gauges, rain gauges, valves, stand pipes, connections, hydrants, conduits, flumes, sluices, canals, channels, ditches, pipes, lines, laterals, service pipes, force mains, submains, syphons, other water transmission and distribution mains, engines, boilers, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings and other facilities for the acquisition, transportation, treatment, purification and distribution of untreated water or potable water for domestic, commercial and industrial use and irrigation (or any combination thereof).], for the purpose of providing adequate and efficient water service to the residents of Carson City for all legitimate uses, including, without limitation, industrial, irrigation, municipal and domestic.~~

~~1.—Acquire, by purchase, grant, gift, devise, lease, construction, contract or otherwise, land, rights of way, easements, privileges, water and water rights, and property of every kind, whether real or personal, for the purpose of constructing, maintaining and operating, within or without Carson City, any and all works and improvements necessary or proper for the provision of adequate and efficient water service.~~

~~2.—Sell, lease, encumber, hypothecate or otherwise dispose of property, whether real or personal, including, without limitation, water and water rights, as is necessary or proper for the provision of adequate and efficient water service.~~

~~3.—Lawfully enter upon any land, to make surveys and locate any necessary improvements, including, without limitation, lines for channels, conduits, canals, pipelines, roadways and other rights of way, to acquire property necessary or convenient for the construction, use, supply, maintenance, repair and improvement of such improvements, including, without limitation, works constructed and being constructed by private owners, lands for reservoirs for the storage of necessary water, and all necessary appurtenances, and, where necessary, acquire and hold the stock of corporations, domestic or foreign, owning water or water rights, canals, waterworks, franchises, concessions or other rights.~~

~~4.—Enter into and do any acts necessary or proper for the performance of any agreement with the United States, or any state, county or district of any kind, public or private corporation, association, firm or natural person, or any number of them, for the joint acquisition, construction, lease, ownership, disposition, use, management, maintenance, repair or operation of any rights, works or other property of a kind which may be lawfully acquired or owned by Carson City.~~

~~5. Acquire the right to store water in any reservoirs, or to carry water through any canal, ditch or conduit not owned or controlled by Carson City, and grant to any owner or lessee the right to the use of any water or right to store such water in any reservoir of Carson City, or to carry such water through any tunnel, canal, ditch or conduit of Carson City.~~

~~6. Enter into and do any acts necessary or proper for the performance of any agreement with any district of any kind, public or private corporation, association, firm or natural person, or any number of them, for the transfer or delivery to any district, corporation, association, firm or natural person of any water right or water pumped, stored, appropriated or otherwise acquired or secured for the use of Carson City, or for the purpose of exchanging the water or water right for any other water, water right or water supply to be delivered to Carson City by the other party to the agreement.~~

~~7. Cooperate and act in conjunction with the State of Nevada or any of its engineers, officers, boards, commissions, departments or agencies, with the government of the United States or any of its engineers, officers, boards, commissions, departments or agencies, or with any public or private corporation, to construct any work for the development, importation or distribution of water of Carson City, for the protection of life or property therein, or for the conservation of its water for beneficial use within Carson City, or to carry out any other works, acts or purposes provided for in this section, and to adopt and carry out any definite plan or system of work for any of the purposes described in this section.~~

~~8. Store water in surface or underground reservoirs within or without Carson City for the common benefit of Carson City, conserve and reclaim water for present and future use within Carson City, appropriate and acquire water and water rights and import water into Carson City for any useful purpose to Carson City, and commence, maintain, intervene and compromise in the name of Carson City, or otherwise, and assume the costs and expenses of any action or proceeding involving or affecting:~~

~~(a) The ownership or use of water or water rights within or without Carson City used or useful for any purpose of Carson City or of common benefit to any land situated therein;~~

~~(b) The wasteful use of water within Carson City;~~

~~(c) The interference with or diminution of water or water rights within Carson City;~~

~~(d) The contamination or pollution of the surface or subsurface water used in Carson City or any other act that otherwise renders such water unfit for beneficial use; and~~

~~(e) The interference with this water that may endanger or damage the residents, lands or use of water in Carson City.~~

~~9. Sell and distribute water under the control of Carson City, without preference, to any natural person, firm, corporation, association, district, agency or inhabitant, public or private, for use within the service area, to fix, establish and adjust rates, classes of rates, terms and conditions for the sale and use of such water, and sell water for use outside the service area upon a finding by the Board that there is a surplus of water above that amount required to serve customers within the service area.~~

~~10. Supplement the surface water and groundwater resources of Carson City by the importation and use of water from other sources.~~

~~11. Restrict the use of water of Carson City during any emergency caused by drought or other threatened or existing water shortage, and prohibit the waste of water of Carson City at any time through the adoption of ordinances, rules or regulations and the imposition of fines for violations of those ordinances, rules and regulations.~~

~~12. Supply water under contract or agreement, or in any other manner, to the United States or any department or agency thereof, the State of Nevada, or any corporation, association, partnership or natural person situated in Carson City, for an appropriate charge, consideration or exchange made therefore, when such supply is available or can be developed as an incident of or in connection with the primary functions and operations of Carson City.} (Deleted by amendment.)~~

Sec. 2. Section 2.330 of the Charter of Carson City, being chapter 690, Statutes of Nevada 1979, at page 1857, is hereby amended to read as follows:

Sec. 2.330 Employees: Merit Personnel System.

1. The Board of Supervisors shall establish a Merit Personnel System for all employees of Carson City except those exempted under the provisions of subsection 4.

2. The Board of Supervisors shall administer this section through the adoption of appropriate regulations which shall provide for:

(a) The classification of all positions, not exempt from the Merit Personnel System, based on the duties, authority and responsibility of each position, with adequate provision for reclassification of any position whatsoever whenever warranted by changed circumstances.

(b) A pay plan for all employees, including exempt employees other than elected officers that are covered in NRS 245.043.

(c) Policies and procedures for regulating reduction in force and the removal of employees.

(d) Hours of work, attendance regulations and provisions for sick and vacation leave.

(e) Policies and procedures governing persons holding temporary or provisional appointments.

(f) Policies and procedures governing relationships with employees and employee organizations.

(g) Policies concerning employee training and development.

(h) Grievance procedures.

(i) Other policies and procedures necessary for the administration of a Merit Personnel System.

3. In the event of a conflict between the policies and procedures adopted pursuant to this section and the provisions of a collective bargaining agreement entered into pursuant to chapter 288 of NRS, the provisions of the agreement prevail.

4. There are exempted from the provisions of this section:

(a) The Manager and all department heads, elected or appointed;

(b) All deputy district attorneys;

(c) Not more than ~~{five supervisory deputy sheriffs;}~~ *six employees in the Office of the Sheriff, as designated by the Sheriff;* and

(d) ~~{No}~~ Not more than two deputies each in the offices of the Clerk, the Treasurer, the Recorder, the Assessor, and any other department created by this Charter or by ordinance.

Sec. 3. Section 3.015 of the Charter of Carson City, being chapter 690, Statutes of Nevada 1979, as amended by chapter 58, Statutes of Nevada 1981, at page 150, is hereby amended to read as follows:

Sec. 3.015 Mayor Pro Tempore: Selection; duties. The Board shall elect one of its members, for such term as the Board determines, to be Mayor Pro Tempore. He shall:

1. Hold the office and title at all times during the term for which he was elected without additional compensation.

2. Perform the duties of Mayor during the absence or disability of the Mayor.

3. *Act as Mayor until the next general election if the Office of Mayor becomes vacant.*

Sec. 4. Section 3.060 of the Charter of Carson City, being chapter 213, Statutes of Nevada 1969, as last amended by chapter 341, Statutes of Nevada 1999, at page 1410, is hereby amended to read as follows:

Sec. 3.060 Sheriff: Duties; salary.

1. The provisions of chapter 248 of NRS apply to the Office of Sheriff, except that all deputy sheriffs except ~~{the five}~~ *any deputy sheriff who is one of the six employees designated by the Sheriff as described in section 2.330 must be appointed pursuant to and are governed by the regulations for the Merit Personnel System.*

2. The Sheriff shall:

(a) Diligently enforce all ordinances of Carson City.

(b) Perform such other duties as may be required by:

(1) The Board; or

(2) The provisions of Nevada Revised Statutes,

↪ which apply to county sheriffs.

3. The Sheriff is not answerable upon his official bond for the conduct of deputies appointed pursuant to the provisions of this Charter,

but the Board may require of such deputies such bonds as it may deem proper.

4. The Sheriff is entitled to an annual salary in the amount specified in NRS 245.043. The Sheriff shall not engage in any other business or occupation that creates a conflict of interest between his personal interest in the business or occupation and his official duties.

Sec. 5. This act becomes effective on July 1, 2007.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 451.

Bill read second time.

The following amendment was proposed by the Committee on Transportation and Homeland Security:

Amendment No. 160.

"SUMMARY—Requires the preparation and filing of certain reports by certain charitable organizations in connection with certain special license plates. (BDR 43-860)"

"AN ACT relating to motor vehicles; requiring the preparation and filing of certain reports by certain charitable organizations in connection with certain special license plates; requiring the Commission on Special License Plates to consider applications for special license plates in chronological order; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 6 of this bill provides that a charitable organization receiving revenue from the issuance of a special license plate , not including a governmental entity whose budget is included in the executive budget, must prepare a balance sheet ~~for engage the services of a certified public accountant to audit its fiscal records,~~ each fiscal year for submission of a report to the Legislative Auditor. Section 7 of this bill requires the Legislative Auditor to prepare a report for submission to the Commission on Special License Plates based on the financial information provided in the balance sheet ~~for report of audit,~~ applicable to each charitable organization. Section 8 of this bill requires that if the Commission determines that a charitable organization has not filed a balance sheet ~~for report of audit,~~ as required, ~~for,~~ has engaged in improper financial practices, or has failed to use adequate methods and procedures to ensure that additional fees imposed in connection with the issuance or renewal of a special license plate are expended only for the benefit of the intended recipient, the Commission must notify the charitable organization and hold a public hearing for the charitable organization to respond to the determination. If, after the hearing, the Commission upholds the determination that the charitable organization has violated the provisions requiring the submission of a balance sheet, ~~for~~

~~report of audit or~~ has engaged in improper financial practices, *or has failed to use adequate methods and procedures to ensure that additional fees imposed in connection with the issuance or renewal of a special license plate are expended only for the benefit of the intended recipient*, the Commission may require the Department of Motor Vehicles to withhold additional fees and suspend production of the charitable organization's license plate.

Section 9 of this bill provides that the Commission must consider applications for special license plates in the order in which the applications were received.

Sections 10-17 of this bill amend existing provisions authorizing the issuance of certain special license plates for certain charitable organizations to provide that the Department may not issue license plates for certain charitable organizations if those charitable organizations ~~{fail to comply with section 6 of this bill requiring the submission of financial information}~~ *have committed certain acts or omissions.* (NRS 482.37917, 482.379175, 482.37918, 482.379185, 482.37934, 482.379355, 482.37938, 482.3824)

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

Section 1. Chapter 482 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

Sec. 2. *As used in sections 2 to 8, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 ~~, 4 and~~ to 5, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *"Additional fees" means the fees that are charged in connection with the issuance or renewal of a special license plate for the benefit of a particular cause, fund or charitable organization. The term does not include registration and license fees or governmental services taxes.*

Sec. 4. *"Charitable organization" has the meaning ascribed to it in subsection 2 of NRS 482.3824.*

Sec. 4.5. *"Intended recipient" means the particular cause, fund or charitable organization for the benefit of which additional fees are imposed. In the case of special license plates:*

1. Authorized by enactment of the Legislature, the term means the particular cause, fund or charitable organization identified in statute as the required recipient of additional fees.

2. Authorized pursuant to the system of application and petition described in NRS 482.367002, the term means the particular cause, fund or charitable organization identified as the intended recipient of additional fees, as described in the application that was submitted for those special license plates pursuant to paragraph (c) of subsection 2 of that section.

Sec. 5. *"Special license plate" has the meaning ascribed to it in subsection 1 of NRS 482.367008.*

Sec. 6. 1. ~~Each~~ Each charitable organization, not including a governmental entity whose budget is included in the executive budget, that receives additional fees ~~pursuant to NRS 482.367006 shall~~

~~(a) If the revenue of the charitable organization from all sources is less than \$50,000 for any~~ shall, for each fiscal year, prepare a balance sheet for that fiscal year on a form provided by the Commission on Special License Plates. ~~and~~ Each such charitable organization shall file the balance sheet, accompanied by a recent bank statement, with the Commission on or before ~~January~~ September 1 following the end of that fiscal year. The Commission shall prepare and make available, or cause to be prepared and made available, a form that must be used by a charitable organization to prepare such a balance sheet.

~~(b) If the revenue of the charitable organization from all sources is \$50,000 or more for any fiscal year, engage the services of a certified public accountant or public accountant, or firm of either of such accountants, to audit all its fiscal records for that fiscal year and file a report of the audit with the Commission on or before January 1 following the end of that fiscal year.~~

2. The Legislative Auditor shall prescribe ~~any~~ :

(a) The form and content of the balance sheets required to be filed pursuant to subsection 1; and

(b) Any additional information that must accompany the balance sheets and ~~reports of audits~~ bank statements required to be filed pursuant to subsection 1 ~~and~~, including, without limitation, the methods and procedures used to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient.

3. The Commission shall provide to the Legislative Auditor a copy of each balance sheet ~~for report of an audit, as applicable,~~ and bank statement that it receives from a charitable organization pursuant to this section.

Sec. 7. 1. On or before ~~January 31~~ September 30 following the end of each fiscal year, the Legislative Auditor shall present to the Commission on Special License Plates a final written report with respect to the charitable organizations for which the Commission provided to him a balance sheet ~~for report of an audit~~ pursuant to subsection 3 of section 6 of this act.

2. The final written report must be distributed to each member of the Commission before the report is presented to the Commission.

3. Along with any statement of explanation or rebuttal from the audited charitable organization, the final written report may include, without limitation:

(a) Evidence regarding the inadequacy of any forms or records filed by the charitable organization with the Commission;

(b) Evidence regarding any improper practices of financial administration on the part of the charitable organization; ~~and~~

(c) Evidence regarding the methods and procedures, or lack thereof, used to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient; and

(d) Any other evidence or information that the Legislative Auditor determines to be relevant to the propriety of the financial administration and recordkeeping of the charitable organization, including, without limitation, the disposition of any additional fees received by the charitable organization.

Sec. 8. 1. *If the Commission on Special License Plates determines that a charitable organization has failed to comply with one or more of the provisions of section 6 of this act or if, in a report provided to the Commission by the Legislative Auditor pursuant to section 7 of this act, the Legislative Auditor determines that a charitable organization has committed improper practices of financial administration, ~~for~~ has filed with the Commission forms or records that are inadequate, or has failed to use adequate methods and procedures to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient, the Commission shall notify the charitable organization of that determination.*

2. *A charitable organization may request in writing a hearing, within 20 days after receiving notification pursuant to subsection 1, to respond to the determinations of the Commission or Legislative Auditor. The hearing must be held not later than 30 days after the receipt of the request for a hearing unless the parties, by written stipulation, agree to extend the time.*

3. *The Commission shall issue a decision, immediately after the hearing, on whether to uphold the original determination of the Commission or the Legislative Auditor or to overturn that determination. The decision of the Commission pursuant to this subsection is a final decision for purposes of judicial review.*

4. *If the Commission upholds its own determination that a charitable organization has failed to comply with one or more of the provisions of section 6 of this act or upholds the determination of the Legislative Auditor that the organization has committed improper practices of financial administration, ~~for~~ has filed with the Commission forms or records that are inadequate, or has failed to use adequate methods and procedures to ensure that all money received in the form of additional fees is expended solely for the benefit of the intended recipient, the Commission may require that the Department:*

(a) Suspend the collection of all additional fees collected on behalf of the charitable organization; and

(b) Suspend production of the particular design of special license plates from which the charitable organization receives additional fees, if the Department is still producing that design.

Sec. 9. NRS 482.367004 is hereby amended to read as follows:

482.367004 1. There is hereby created the Commission on Special License Plates consisting of five Legislators and three nonvoting members as follows:

(a) Five Legislators appointed by the Legislative Commission:

(1) One of whom is the Legislator who served as the Chairman of the Assembly Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in his place in his absence. The alternate must be another Legislator who also served on the Assembly Standing Committee on Transportation during the most recent legislative session.

(2) One of whom is the Legislator who served as the Chairman of the Senate Standing Committee on Transportation during the most recent legislative session. That Legislator may designate an alternate to serve in his place in his absence. The alternate must be another Legislator who also served on the Senate Standing Committee on Transportation during the most recent legislative session.

(b) Three nonvoting members consisting of:

(1) The Director of the Department of Motor Vehicles, or his designee.

(2) The Director of the Department of Public Safety, or his designee.

(3) The Director of the Department of Cultural Affairs, or his designee.

2. Each member of the Commission appointed pursuant to paragraph (a) of subsection 1 serves a term of 2 years, commencing on July 1 of each odd-numbered year. A vacancy on the Commission must be filled in the same manner as the original appointment.

3. Members of the Commission serve without salary or compensation for their travel or per diem expenses.

4. The Director of the Legislative Counsel Bureau shall provide administrative support to the Commission.

5. The Commission shall approve or disapprove:

(a) Applications for the design, preparation and issuance of special license plates that are submitted to the Department pursuant to subsection 1 of NRS 482.367002; and

(b) The issuance by the Department of special license plates that have been designed and prepared pursuant to NRS 482.367002.

➤ In determining whether to approve such an application or issuance, the Commission shall consider, without limitation, whether it would be appropriate and feasible for the Department to, as applicable, design, prepare or issue the particular special license plate. *The Commission shall consider each application in the chronological order in which the application was received by the Department.*

Sec. 10. NRS 482.37917 is hereby amended to read as follows:

482.37917 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department, in cooperation with the State Department of Agriculture and the Nevada Future Farmers of America Foundation or its successor, shall design, prepare and issue license plates

which indicate support for the promotion of agriculture within this State, including, without limitation, support for the programs and activities of the Future Farmers of America or its successor within this State, using any colors that the Department deems appropriate. The design of the license plates must include the phrase "People Grow Things Here!" and an identifying symbol furnished by the Nevada Future Farmers of America Foundation or its successor. The Department shall not design, prepare or issue the license plates unless it receives at least 250 applications for the issuance of those plates.

2. If the Department receives at least 250 applications for the issuance of license plates which indicate support for the promotion of agriculture within this State, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates which indicate support for the promotion of agriculture within this State if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates which indicate support for the promotion of agriculture within this State pursuant to subsections 3 and 4.

3. The fee for license plates which indicate support for the promotion of agriculture within this State is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates which indicate support for the promotion of agriculture within this State must pay for the initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be distributed in accordance with subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act, the* Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this section in the following manner:

(a) Remit one-half of the fees to the Nevada Future Farmers of America Foundation or its successor for the support of programs and activities of the Future Farmers of America or its successor within this State.

(b) Deposit one-half of the fees for credit to the Account for License Plates for the Promotion of Agriculture within this State created pursuant to NRS 561.411.

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services tax due pursuant to NRS 482.399; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 11. NRS 482.379175 is hereby amended to read as follows:

482.379175 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department shall design, prepare and issue license plates for the appreciation of animals, using any colors and designs that the Department deems appropriate. The Department shall not design, prepare or issue the license plates unless it receives at least 250 applications for the issuance of those plates.

2. If the Department receives at least 250 applications for the issuance of license plates for the appreciation of animals, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates for the appreciation of animals if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates for the appreciation of animals pursuant to subsections 3 and 4.

3. The fee for license plates for the appreciation of animals is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates for the appreciation of animals must pay for the initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be distributed in the manner prescribed in subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act, the* Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute to each county the fees collected for the preceding quarter for license plates for vehicles registered in that county. The money may be used by the county only:

(a) For programs that are approved by the board of county commissioners for the adoption of animals and for the spaying and neutering of animals.

(b) To make grants to nonprofit organizations to carry out the programs described in paragraph (a).

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the transfer and registration fees are paid as set forth in this chapter; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 12. NRS 482.37918 is hereby amended to read as follows:

482.37918 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department, in cooperation with the Nevada Test Site Historical Foundation or its successor, shall design, prepare and issue license plates for the support of the preservation of the history of atomic testing in Nevada, using any colors and designs that the Department deems appropriate. The Department shall not design, prepare or issue the license plates unless it receives at least 250 applications for the issuance of those plates.

2. If the Department receives at least 250 applications for the issuance of license plates for the support of the preservation of the history of atomic testing in Nevada, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates for the support of the preservation of the history of atomic testing in Nevada if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates for the support of the preservation of the history of atomic testing in Nevada pursuant to subsections 3 and 4.

3. The fee for license plates for the support of the preservation of the history of atomic testing in Nevada is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates for the support of the preservation of the history of atomic testing in Nevada must pay for the initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be distributed pursuant to subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act*, the Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection to the Nevada Test Site Historical Foundation or its successor for its programs and activities in support of the preservation of the history of atomic testing in Nevada.

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the transfer and registration fees are paid as set forth in this chapter; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 13. NRS 482.379185 is hereby amended to read as follows:

482.379185 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department, in cooperation with Nevada Ducks Unlimited or its successor, shall design, prepare and issue license plates for the support of the conservation of wetlands, using any colors and designs that the Department deems appropriate. The Department shall not design, prepare or issue the license plates unless it receives at least 1,000 applications for the issuance of those plates.

2. If the Department receives at least 1,000 applications for the issuance of license plates for the support of the conservation of wetlands, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates for the support of the conservation of wetlands if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates for the support of the conservation of wetlands pursuant to subsections 3 and 4.

3. The fee for license plates for the support of the conservation of wetlands is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates for the support of the conservation of wetlands must pay for the initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be distributed pursuant to subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act, the* Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection to the Treasurer of Nevada Ducks Unlimited or its successor for use by Nevada Ducks Unlimited or its successor in carrying out:

(a) Projects for the conservation of wetlands that are:

(1) Conducted within Nevada; and

(2) Sponsored or participated in by Nevada Ducks Unlimited or its successor; and

(b) Fundraising activities for the conservation of wetlands that are:

(1) Conducted within Nevada; and

(2) Sponsored or participated in by Nevada Ducks Unlimited or its successor.

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services tax due pursuant to NRS 482.399; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

7. As used in this section, "wetland" has the meaning ascribed to it in NRS 244.388.

Sec. 14. NRS 482.37934 is hereby amended to read as follows:

482.37934 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department, in cooperation with the Outside Las Vegas Foundation or its successor, shall design, prepare and issue license plates to support preserving the federal lands surrounding Las Vegas, promoting community stewardship of those valuable resources, enriching visitors' experience and enhancing the quality of life of local residents, using any colors and designs that the Department deems appropriate. The Department shall not design, prepare or issue the license plates unless it receives at least 250 applications for the issuance of those plates.

2. If the Department receives at least 250 applications for the issuance of license plates pursuant to this section, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates issued pursuant to this section if that person pays the fees for the personalized prestige license plates in addition to the fees prescribed pursuant to subsections 3 and 4 for the license plates issued pursuant to this section.

3. The fee for license plates issued pursuant to this section is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates pursuant to this section must pay for the initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20 to be distributed pursuant to subsection 5.

5. ~~The~~ Except as otherwise provided in section 8 of this act, the Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this section to the Outside Las Vegas Foundation or its successor for its programs and activities in support of preserving the federal lands surrounding Las Vegas, promoting community stewardship of those valuable resources, enriching visitors' experience and enhancing the quality of life of local residents.

6. If, during a registration year, the holder of license plates issued pursuant to this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the transfer and registration fees are paid as set forth in this chapter; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 15. NRS 482.379355 is hereby amended to read as follows:

482.379355 1. Except as otherwise provided in this subsection ~~and~~ *and section 8 of this act*, the Department, in cooperation with the Immigrant Workers Citizenship Project or its successor, shall design, prepare and issue license plates for the support of naturalized citizenship, using any colors and designs that the Department deems appropriate. The design of the license plates must include a depiction of the Aztec Calendar. The Department shall not design, prepare or issue the license plates unless it receives at least 1,000 applications for the issuance of those plates.

2. If the Department receives at least 1,000 applications for the issuance of license plates for the support of naturalized citizenship, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates for the support of naturalized citizenship if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates for the support of naturalized citizenship pursuant to subsections 3 and 4.

3. The fee for license plates for the support of naturalized citizenship is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.

4. In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates for the support of naturalized citizenship must pay for the initial issuance of the plates an additional fee of \$25 and for

each renewal of the plates an additional fee of \$20, to be distributed pursuant to subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act, the Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection to the Immigrant Workers Citizenship Project or its successor for its programs and charitable activities in support of naturalized citizenship.*

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the holder pays the fee for the transfer of the registration and any registration fee or governmental services tax due pursuant to NRS 482.399; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 16. NRS 482.37938 is hereby amended to read as follows:

482.37938 1. *Except as otherwise provided in this subsection ~~and~~ and section 8 of this act, the Department, in cooperation with the Reno Rodeo Foundation and the Nevada High School Rodeo Association or their successors, shall design, prepare and issue license plates for the support of rodeos, including support for the programs and charitable activities of the Reno Rodeo Foundation and the Nevada High School Rodeo Association, or their successors, using any colors and designs that the Department deems appropriate. The Department shall not design, prepare or issue the license plates unless it receives at least 250 applications for the issuance of those plates.*

2. *If the Department receives at least 250 applications for the issuance of license plates for the support of rodeos, the Department shall issue those plates for a passenger car or light commercial vehicle upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. A person may request that personalized prestige license plates issued pursuant to NRS 482.3667 be combined with license plates for the support of rodeos if that person pays the fees for the personalized prestige license plates in addition to the fees for the license plates for the support of rodeos pursuant to subsections 3 and 4.*

3. *The fee for license plates for the support of rodeos is \$35, in addition to all other applicable registration and license fees and governmental services taxes. The license plates are renewable upon the payment of \$10.*

4. *In addition to all other applicable registration and license fees and governmental services taxes and the fee prescribed in subsection 3, a person who requests a set of license plates for the support of rodeos must pay for the*

initial issuance of the plates an additional fee of \$25 and for each renewal of the plates an additional fee of \$20, to be distributed pursuant to subsection 5.

5. ~~The~~ *Except as otherwise provided in section 8 of this act, the Department shall deposit the fees collected pursuant to subsection 4 with the State Treasurer for credit to the State General Fund. The State Treasurer shall, on a quarterly basis, distribute the fees deposited pursuant to this subsection in the following manner:*

(a) Remit one-half of the fees to the Reno Rodeo Foundation or its successor for the support of programs and charitable activities of the Reno Rodeo Foundation or its successor.

(b) Remit one-half of the fees to the Nevada High School Rodeo Association or its successor for the support of programs and charitable activities of the Nevada High School Rodeo Association or its successor.

↪ The Nevada High School Rodeo Association or its successor may grant a portion of the proceeds it receives pursuant to this subsection to one or more high school rodeo associations established in this State for the support of those associations.

6. If, during a registration year, the holder of license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle that meets the requirements of this section if the transfer and registration fees are paid as set forth in this chapter; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

Sec. 17. NRS 482.3824 is hereby amended to read as follows:

482.3824 1. ~~With~~ *Except as otherwise provided in section 8 of this act, with respect to any special license plate that is issued pursuant to NRS 482.3667 to 482.3825, inclusive, and for which an additional fee is imposed for the issuance of the special license plate to generate financial support for a charitable organization:*

(a) The Director shall, at the request of the charitable organization that is benefited by the particular special license plate:

(1) Order the design and preparation of souvenir license plates, the design of which must be substantially similar to the particular special license plate; and

(2) Issue such souvenir license plates, for a fee established pursuant to NRS 482.3825, only to the charitable organization that is benefited by the particular special license plate. The charitable organization may resell such souvenir license plates at a price determined by the charitable organization.

(b) The Department may, except as otherwise provided in this paragraph and after the particular special license plate is approved for issuance, issue the special license plate for a trailer or other type of vehicle that is not a passenger car or light commercial vehicle, excluding motorcycles and vehicles required to be registered with the Department pursuant to

NRS 706.801 to 706.861, inclusive, upon application by a person who is entitled to license plates pursuant to NRS 482.265 and who otherwise complies with the requirements for registration and licensing pursuant to this chapter. The Department may not issue a special license plate for such other types of vehicles if the Department determines that the design or manufacture of the plate for those other types of vehicles would not be feasible. In addition, if the Department incurs additional costs to manufacture a special license plate for such other types of vehicles, including, without limitation, costs associated with the purchase, manufacture or modification of dies or other equipment necessary to manufacture the special license plate for such other types of vehicles, those additional costs must be paid from private sources without any expense to the State of Nevada.

2. As used in this section, "charitable organization" means a particular cause, charity or other entity that receives money from the imposition of an additional fee in connection with the issuance of a special license plate pursuant to NRS 482.3667 to 482.3825, inclusive. The term includes the successor, if any, of a charitable organization.

Sec. 18. This act becomes effective upon passage and approval.

Senator Nolan moved the adoption of the amendment.

Remarks by Senator Nolan.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 457.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 397.

"SUMMARY—Provides for the creation, administration and investment of a trust fund for the management of certain retirement benefits provided by a local government. (BDR 23-736)"

"AN ACT relating to local financial administration; authorizing the creation of a trust fund for the management of certain retirement benefits provided by a local government; providing for the administration and investment of such a trust fund; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 3 of this bill allows a local government to establish an irrevocable trust fund for the purpose of providing health insurance or other retirement benefits, other than a pension, to its retired employees, and to use the trust fund to accumulate the funding necessary for the future provision of those benefits. Section 3 requires the appointment of a board of trustees to administer the trust fund, and provides for various limitations on the powers and duties of the board of trustees, including its authority to invest the money in the trust fund.

Section ~~44~~ 5 of this bill provides for the investment of any money in such a trust fund together with *any assets of the Public Employees' Benefits Program in the same manner as* the money in the Public Employees' Retirement Fund ~~[. Section 5 of this bill provides for the investment of a pool of money from similar trust funds by the State Treasurer. (NRS 355.165)]~~ *is invested.*

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

Section 1. ~~[Chapter 286 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1.—The Board shall establish one or more separate accounts in the Public Employees' Retirement Fund for money deposited with the Board pursuant to section 3 of this act. Any money in such an account must be invested in the same manner as other money in the Public Employees' Retirement Fund is invested. The interest and income earned on the money in such an account, after deducting any applicable charges, must be credited to the account.~~

~~2.—The Board may assess reasonable charges against such an account for the reimbursement of its expenses in administering the account. No other money may be withdrawn from such an account except as directed by the board of trustees responsible for that money pursuant to section 3 of this act.] (Deleted by amendment.)~~

Sec. 2. ~~[NRS 286.220 is hereby amended to read as follows:~~

~~286.220 1.—The Board shall establish a fund known as the Public Employees' Retirement Fund.~~

~~2.—It is hereby declared to be the policy of the Legislature that the Public Employees' Retirement Fund is a trust fund established to afford a degree of security to long-time public employees of the State and its political subdivisions. The money in the Fund must not be used or appropriated for any purpose incompatible with the policy of the Public Employees' Retirement System, as expressed in NRS 286.015. The Fund must be invested and administered to assure the highest return consistent with safety in accordance with accepted investment practices.~~

~~3.—The interest and income earned on the money in the Public Employees' Retirement Fund, after deducting any applicable charges, must be credited to the Fund.~~

~~4.—[Money] Except for any money deposited in a separate account established pursuant to section 1 of this act, the money in the Public Employees' Retirement Fund must be expended by the Board for the purpose of paying:~~

- ~~(a) Service retirement allowances;~~
- ~~(b) Disability retirement allowances;~~
- ~~(c) Postretirement allowances;~~
- ~~(d) Benefits for survivors;~~
- ~~(e) Authorized refunds to members and their beneficiaries;~~

~~(f) Amounts equivalent to disability retirement allowances to be used by employers for rehabilitation; and~~

~~(g) Allowances to beneficiaries;~~

~~and for the payment of expenses authorized by law to be paid from the Fund.~~

~~5. Contributions from members and from participating public employers to the Public Employees' Retirement Fund must be deposited in a bank or credit union of reputable standing in the State of Nevada. Such deposits must be secured in a manner satisfactory to the Board.~~

~~6. All checks drawn upon the Public Employees' Retirement Fund must be signed by two persons designated by the Board. (Deleted by amendment.)~~

Sec. 3. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Notwithstanding any other provision of law, the governing body of any local government which provides retirement benefits to retired employees of that local government and the spouses and dependents of those employees may, in addition to any other power granted by law, establish a trust fund for that purpose in accordance with the provisions of this section.*

2. *If the governing body of a local government establishes a trust fund pursuant to this section:*

(a) *That local government may, within the limitations of its budget, make contributions to the trust fund in such an amount as it determines, in accordance with generally accepted accounting principles, to be appropriate to provide, in whole or in part, the funding necessary for any future retirement benefits to which the retired employees of that local government and the spouses and dependents of those employees may be entitled pursuant to the benefits plan of that local government.*

(b) *All contributions to the trust fund, and any interest and income earned on the money in the trust fund, must be held in trust and used only to:*

(1) *Provide, for the benefit of retired employees of that local government and the spouses and dependents of those employees, retirement benefits in accordance with the benefits plan of that local government; and*

(2) *Pay any reasonable administrative expenses incident to the provision of those benefits and the administration of the trust.*

(c) *All contributions to the trust fund are irrevocable and become the property of the beneficiaries of the trust.*

(d) *The assets of the trust fund are not subject to the claims of any creditors of:*

(1) *That local government;*

(2) *The administrator of the benefits plan of that local government; or*

(3) *The beneficiaries of the trust.*

(e) *The trust fund must be administered by a board of trustees appointed by the governing body of that local government to act in a fiduciary capacity for the beneficiaries of the trust. The board of trustees shall be deemed to be a governmental entity for the purposes of chapter 239 of NRS and a public*

body for the purposes of chapter 241 of NRS, and the members of the board of trustees shall be deemed to be public officers for the purposes of NRS 281.411 to 281.581, inclusive. Neither the trust nor the board of trustees shall be deemed to be a local government for the purposes of chapter 350 or 354 of NRS, and except as otherwise provided in this section ~~[NRS 355.165]~~ and section ~~44~~ 5 of this act, no statutory limitation on the investment of public money shall be deemed to apply to the trust. The governing body:

(1) Must require the board of trustees to administer the trust in accordance with generally accepted accounting principles and actuarial studies applicable to the future provision of retirement benefits to retired employees and the spouses and dependents of those employees; and

(2) May authorize the board of trustees to employ such staff and contract for the provision of such management, investment and other services, including, without limitation, the services of accountants, actuaries, attorneys and investment managers, as are necessary for the administration of the trust fund.

(f) The constituent documents that establish the trust must:

(1) Set forth the powers and duties of the board of trustees, which may include any powers and duties that may be exercised by a nonprofit corporation under the laws of this State, but which must not include the power to borrow money or be inconsistent with the provisions of this section;

(2) Establish a procedure for resolving expeditiously any deadlock that arises among the members of the board of trustees; and

(3) Provide for an audit of the trust by an independent certified public accountant at least annually, the results of which must be reported to the governing body of that local government.

(g) Subject to the provisions of paragraph (h) ~~and~~ and except as otherwise provided in paragraph (i), the assets of the trust fund or any portion of those assets may, as directed by the board of trustees appointed pursuant to paragraph (e):

(1) Be deposited in or withdrawn from ~~fa special account established by the Public Employees' Retirement Board pursuant to section 1~~ the Retirement Benefits Investment Fund established pursuant to section 5 of this act;

(2) ~~Be deposited in or withdrawn from the Local Government Pooled Long Term Investment Account created by NRS 355.165;~~

~~(3)~~ Be invested in any investment which is authorized for a local government pursuant to NRS 355.170; or

~~(4)~~ (3) Be invested in any stocks or other equity securities or bonds or other debt securities which:

(I) Are traded on a public securities market;

(II) Are approved by the Committee on Local Government Finance or included in any category of stocks or other equity securities or bonds or other debt securities which is approved by the Committee on Local Government Finance; and

(III) *Persons of prudence, discretion and intelligence acquire or retain for their own account,*

↳ *except that in no case may the assets of the trust fund include more than 5 percent of the equity or debt of any single business entity and in no case may more than 5 percent of the assets of the trust fund be invested in the equity or debt of any single business entity.*

(h) *The assets of the trust fund may be pooled for the purposes of investment with the assets of any trust funds established by any other local governments pursuant to this section only if each participating local government's proportionate share of the pool of assets:*

(1) *Is accounted for separately;*

(2) *Is used to provide retirement benefits solely to the retired employees of that local government and the spouses and dependents of those employees; and*

(3) *Is not subject to any liabilities of any other local governments.*

(i) *The board of trustees appointed pursuant to paragraph (e) shall not deposit any of the assets of the trust fund in the Retirement Benefits Investment Fund established pursuant to section 5 of this act unless the board obtains an opinion from the legal counsel for that local government that the investment of those assets in accordance with section 5 of this act will not violate the provisions of Section 10 of Article 8 of the Constitution of the State of Nevada.*

3. *The Committee on Local Government Finance may, in the manner prescribed for state agencies in chapter 233B of NRS, adopt such regulations as it determines to be appropriate for the administration and interpretation of the provisions of this section.*

4. *As used in this section:*

(a) *"Benefits plan" means a plan established by a local government or required by law for the provision of retirement benefits to retired employees of a local government and the spouses and dependents of those employees.*

(b) *"Local government" has the meaning ascribed to it in NRS 354.474.*

(c) *"Retirement benefits" means any retirement benefits other than a pension and includes, without limitation, life, accident or health insurance, or any combination of such benefits.*

Sec. 4. NRS 287.040 is hereby amended to read as follows:

287.040 The provisions of NRS 287.010 to 287.040, inclusive, and section 3 of this act do not make it compulsory upon any governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada, except as otherwise provided in NRS 287.021 or in an agreement entered into pursuant to subsection 3 of NRS 287.015, to pay any premiums, contributions or other costs for group insurance, a plan of benefits or medical or hospital services established pursuant to NRS 287.010, 287.015, 287.020 or paragraph (b), (c) or (d) of subsection 1 of NRS 287.025, or to make any contributions to a trust fund established pursuant to section 3 of this act, or

upon any officer or employee of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of this State to accept any such coverage or to assign his wages or salary in payment of premiums or contributions therefor.

Sec. 5. Chapter 355 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Retirement Benefits Investment Board is hereby created. The membership of the Board consists of the members of the Public Employees' Retirement Board, who shall serve in that capacity ex officio and without any additional compensation.

2. The Board shall establish and administer a fund to be known as the Retirement Benefits Investment Fund for the investment of money deposited with the Board pursuant to subsection 5 or section 3 of this act. Any money received by the Board pursuant to subsection 5 or section 3 of this act shall be deemed to be held for investment purposes only and not in any fiduciary capacity. Any money in the Fund must be invested in the same manner as money in the Public Employees' Retirement Fund is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund.

3. The Board may assess reasonable charges against the Fund for the payment of its expenses in administering the Fund. No other money may be withdrawn from the Fund except as directed by the board responsible for that money pursuant to subsection 5 or section 3 of this act, as applicable.

4. Except as otherwise provided in this section, the Board has the same powers and duties in carrying out the provisions of this section as those pertaining to the administration of the Public Employees' Retirement Fund by the Public Employees' Retirement Board. The Retirement Benefits Investment Board may employ such staff and contract for the provision of such management, investment and other services, including, without limitation, the services of accountants, actuaries, attorneys and investment managers, as are necessary for the administration of the Fund and to carry out the provisions of this section.

5. Notwithstanding any other provision of law, the Board of the Public Employees' Benefits Program may deposit any of the assets of the Public Employees' Benefits Program in the Fund for purposes of investment if it obtains an opinion from its legal counsel that the investment of those assets in accordance with this section will not violate any of the provisions of Sections 9 and 10 of Article 8 of the Constitution of the State of Nevada.

6. As used in this section, unless the context otherwise requires:

(a) "Board" means the Retirement Benefits Investment Board created pursuant to this section.

(b) "Fund" means the Retirement Benefits Investment Fund created pursuant to this section.

~~{Sec. 5.} Sec. 6. [NRS 355.165 is hereby amended to read as follows:~~

~~355.165 1. The Local Government Pooled Long Term Investment Account is hereby created. The Account must be administered by the State Treasurer.~~

~~2. All of the provisions of NRS 355.167 apply to the Local Government Pooled Long Term Investment Account.~~

~~3. In addition to the investments which are permissible pursuant to subsection 3 of NRS 355.167, the Treasurer may invest the money in the Local Government Pooled Long Term Investment Account in:~~

~~(a) Mutual funds which:~~

~~(1) Are registered with the Securities and Exchange Commission;~~

~~(2) Are rated in the highest rating category by at least one nationally recognized rating service; and~~

~~(3) Invest only in securities issued by the Federal Government or agencies of the Federal Government or in repurchase agreements fully collateralized by such securities.~~

~~(b) An investment contract that is collateralized with securities issued by the Federal Government or agencies of the Federal Government if:~~

~~(1) The collateral has a market value of at least 102 percent of the amount invested and any accrued unpaid interest thereon;~~

~~(2) The Treasurer receives a security interest in the collateral that is fully perfected and the collateral is held in custody for the State by a third party agent of the State which is a commercial bank authorized to exercise trust powers;~~

~~(3) The market value of the collateral is determined not less frequently than weekly and, if the ratio required by subparagraph (1) is not met, sufficient additional collateral is deposited with the agent of this State to meet that ratio within 2 business days after the determination; and~~

~~(4) The party with whom the investment contract is executed is a commercial bank or credit union, or that party or a guarantor of the performance of that party is:~~

~~(I) An insurance company which has a rating on its ability to pay claims of not less than "Aa2" by Moody's Investors Service, Inc., or "AA" by Standard and Poor's Ratings Services, or their equivalent; or~~

~~(II) An entity which has a credit rating on its outstanding long term debt of not less than "A2" by Moody's Investors Service, Inc., or "A" by Standard and Poor's Ratings Services, or their equivalent.~~

~~(c) Solely for the purpose of investing any pool of assets authorized pursuant to section 3 of this act, stocks or other equity securities or bonds or other debt securities which:~~

~~(1) Are traded on a public securities market; and~~

~~(2) Persons of prudence, discretion and intelligence acquire or retain for their own account;~~

~~except that in no case may the investments described in this paragraph include more than 5 percent of the equity or debt of any single business entity~~

~~and in no case may more than 5 percent of the amount invested pursuant to this paragraph be invested in the equity or debt of any single business entity.~~

~~4. In addition to the reasonable charges against the Account which the State Treasurer may assess pursuant to subsection 8 of NRS 355.167, the State Treasurer may, in the case of a local government pooled long term investment account, assess the costs:~~

~~(a) Associated with a calculation of any rebate of arbitrage profits which is required to be paid to the Federal Government by 26 U.S.C. § 148; and~~

~~(b) Of contracting with qualified persons to assist in the:~~

~~(1) Calculation of any rebate of arbitrage profits which is required to be paid to the Federal Government by 26 U.S.C. § 148; and~~

~~(2) Administration of the Account.~~

~~5. In addition to the quarterly computations of interest to be reinvested for or paid to each participating local government pursuant to subsection 9 of NRS 355.167, the State Treasurer may, in the case of a local government pooled long term investment account, compute and reinvest or pay the interest more frequently. He may also base his computations on the amount of interest accrued rather than the amount received.~~

~~6. The Treasurer may establish one or more separate subaccounts in the Local Government Pooled Long Term Investment Account for identified investments that are made for and allocated to specific participating local governments. (Deleted by amendment.)~~

~~{Sec. 6.}~~ Sec. 7. This act becomes effective on July 1, 2007.

Senator Raggio moved the adoption of the amendment.

Remarks by Senator Raggio.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 497.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 309.

"SUMMARY—Revises provisions relating to certain public facilities. (BDR ~~{22}~~ 20-1352)"

"AN ACT relating to public facilities; ~~authorizing the use of the proceeds of the residential construction tax for the maintenance of neighborhood parks;~~ authorizing the boards of county commissioners of certain larger counties to adopt procedures for the sale of the naming rights to a ~~park or recreational facility~~ shooting range owned by the county; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

~~{ Existing law authorizes a city or county to impose a residential construction tax, the proceeds of which may only be used for the acquisition, improvement and expansion of neighborhood parks or the installation of~~

~~facilities in existing or neighborhood parks. (NRS 278.4983) Section 1 of this bill authorizes a city or county to also use the proceeds of the residential construction tax for the maintenance of neighborhood parks.]~~

Under existing law, boards of county commissioners are authorized to acquire parcels of land for park, recreational, cultural and memorial purposes and to operate, maintain and improve parks and other recreational and cultural facilities and areas owned by the county. (NRS 244.300-244.3091) Section 2 of this bill authorizes a board of county commissioners in a county whose population is 400,000 or more (currently Clark County) to adopt by ordinance procedures for the sale of the naming rights to a ~~park or recreational facility owned by the county, including a~~ shooting range ~~owned by the county.~~

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

Section 1. ~~NRS 278.4983 is hereby amended to read as follows:~~

~~278.4983 1. The city council of any city or the board of county commissioners of any county which has adopted a master plan and recreation plan, as provided in this chapter, which includes, as a part of the plan, future or present sites for neighborhood parks may, by ordinance, impose a residential construction tax pursuant to this section.~~

~~2. If imposed, the residential construction tax must be imposed on the privilege of constructing apartment houses and residential dwelling units and developing mobile home lots in the respective cities and counties. The rate of the tax must not exceed:~~

~~(a) With respect to the construction of apartment houses and residential dwelling units, 1 percent of the valuation of each building permit issued or \$1,000 per residential dwelling unit, whichever is less. For the purpose of the residential construction tax, the city council of the city or the board of county commissioners of the county shall adopt an ordinance basing the valuation of building permits on the actual costs of residential construction in the area.~~

~~(b) With respect to the development of mobile home lots, for each mobile home lot authorized by a lot development permit, 80 percent of the average residential construction tax paid per residential dwelling unit in the respective city or county during the calendar year next preceding the fiscal year in which the lot development permit is issued.~~

~~3. The purpose of the tax is to raise revenue to enable the cities and counties to provide neighborhood parks and facilities for parks which are required by the residents of those apartment houses, mobile homes and residences.~~

~~4. An ordinance enacted pursuant to subsection 1 must establish the procedures for collecting the tax, set its rate, and determine the purposes for which the tax is to be used, subject to the restrictions and standards provided in this chapter. The ordinance must, without limiting the general powers conferred in this chapter, also include:~~

~~(a) Provisions for the creation, in accordance with the applicable master plan, of park districts which would serve neighborhoods within the city or county.~~

~~(b) A provision for collecting the tax at the time of issuance of a building permit for the construction of any apartment houses or residential dwelling units, or a lot development permit for the development of mobile home lots.~~

~~5. All residential construction taxes collected pursuant to the provisions of this section and any ordinance enacted by a city council or board of county commissioners, and all interest accrued on the money, must be placed with the city treasurer or county treasurer in a special fund. Except as otherwise provided in subsection 6, the money in the fund may only be used for the acquisition, improvement, *maintenance* and expansion of neighborhood parks or the installation of facilities in existing or neighborhood parks in the city or county. Money in the fund must be expended for the benefit of the neighborhood from which it was collected.~~

~~6. If a neighborhood park has not been developed or facilities have not been installed in an existing park in the park district created to serve the neighborhood in which the subdivision or development is located within 3 years after the date on which 75 percent of the residential dwelling units authorized within that subdivision or development first became occupied, all money paid by the subdivider or developer, together with interest at the rate at which the city or county has invested the money in the fund, must be refunded to the owners of the lots in the subdivision or development at the time of the reversion on a pro rata basis.~~

~~7. The limitation of time established pursuant to subsection 6 is suspended for any period, not to exceed 1 year, during which this State or the Federal Government takes any action to protect the environment or an endangered species which prohibits, stops or delays the development of a park or installation of facilities.~~

~~8. For the purposes of this section:~~

~~(a) "Facilities" means turf, trees, irrigation, playground apparatus, playing fields, areas to be used for organized amateur sports, play areas, picnic areas, horseshoe pits and other recreational equipment or appurtenances designed to serve the natural persons, families and small groups from the neighborhood from which the tax was collected.~~

~~(b) "Neighborhood park" means a site not exceeding 25 acres, designed to serve the recreational and outdoor needs of natural persons, families and small groups. (Deleted by amendment.)~~

Sec. 2. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

The board of county commissioners in a county whose population is 400,000 or more may adopt, by ordinance, procedures for the sale of the naming rights to ~~fa park or recreational facility that is owned by the county, including, without limitation,~~ a shooting range ~~f,~~ that is owned by the county.

Sec. 3. This act becomes effective on July 1, 2007.

Senator Lee moved the adoption of the amendment.

Remarks by Senator Lee.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 517.

Bill read second time.

The following amendment was proposed by the Committee on Government Affairs:

Amendment No. 310.

"SUMMARY—Requires that certain payments to the State of Nevada be made electronically. (BDR 31-633)"

"AN ACT relating to state financial administration; requiring that certain payments made to agencies of this State be made electronically; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill requires all payments of money owed to a state agency for taxes, interest, penalties or any other obligations that, in the aggregate, amount to \$10,000 or more be made by electronic transfer. This requirement does not apply to such payments by governmental entities, or to payments to the Secretary of State unless the Secretary of State so requires.

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

Section 1. Chapter 353 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *Except as otherwise provided in subsection 2, all payments of money owed to a state agency for taxes, interest, penalties or any other obligations that, in the aggregate, amount to \$10,000 or more must be made by any method of electronic transfer of money ~~that~~ allowed by the state agency.*

2. *The provisions of subsection 1:*

(a) *Apply to a person who has entered into an agreement with one or more employers who are required to pay contributions pursuant to NRS 612.535, if:*

(1) *Pursuant to such agreement, the person is required to submit the contributions to the Employment Security Division of the Department of Employment, Training and Rehabilitation on behalf of the employers; and*

(2) *The amount of such contributions from employers, in the aggregate, is \$10,000 or more.*

(b) *Do not apply to:*

(1) *The payment of money owed to the Secretary of State, unless the Secretary of State requires the payment of money owed to his office for taxes, interest, penalties or any other obligations that, in the aggregate, amount to \$10,000 or more be made by any method of electronic transfer of money.*

(2) *The payment of money owed to a state agency by a governmental entity.*

3. *If the payment of money owed to a state agency is required pursuant to this section to be made electronically, ~~the state agency must, except as otherwise provided in this subsection, be able to access~~ the electronic ~~funds~~ payment must be credited to the State of Nevada on or before the date that such payment is due. An employer who is required to pay a contribution pursuant to NRS 612.535 must initiate the payment of the contribution on or before the date that such payment is due.*

4. *As used in this section:*

(a) *"Electronic transfer of money" means any transfer of money, other than a transaction initiated by a check or other similar instrument, that is initiated through an automated clearinghouse transaction, an electronic check transaction or a wire transfer for the purpose of ordering, instructing or authorizing a financial institution to debit or credit an account.*

(b) *"Employer" has the meaning ascribed to it in NRS 612.055.*

(c) *"Governmental entity" means:*

(1) *The government of this State;*

(2) *An agency of the government of this State;*

(3) *A political subdivision of this State; and*

(4) *An agency of a political subdivision of this State.*

Sec. 2. NRS 353.146 is hereby amended to read as follows:

353.146 As used in NRS 353.146 to 353.148, inclusive, and section 1 of this act, "state agency" means an agency, bureau, board, commission, department, division or any other unit of the Executive Department of the State Government.

Sec. 3. NRS 31A.090 is hereby amended to read as follows:

31A.090 1. A notice to withhold income is binding upon any employer of an obligor to whom it is mailed. To reimburse the employer for his costs in making the withholding, he may deduct \$3 from the amount paid the obligor each time he makes a withholding.

2. ~~¶¶~~ *Except as otherwise provided in subsection 3, if an employer receives notices to withhold income for more than one employee, he may consolidate the amounts of money that are payable to:*

(a) *The enforcing authority and pay those amounts with one check; and*

(b) *The State Treasurer and pay those amounts with one check,*

↪ *but the employer shall attach to each check a statement identifying by name and social security number each obligor for whom payment is made and the amount transmitted for that obligor.*

3. *If the provisions of section 1 of this act apply, the employer shall make payment to the enforcing authority or the State Treasurer, as applicable, by way of any method of electronic transfer of money ~~is~~ allowed by the enforcing authority or the State Treasurer. If an employer makes such payment by way of electronic transfer of money, the employer shall transmit separately the name and ~~social security~~ appropriate identification number.*

if any, of each obligor for whom payment is made and the amount transmitted for that obligor.

4. An employer shall cooperate with and provide relevant information to an enforcing authority as necessary to enable it to enforce an obligation of support. A disclosure made in good faith pursuant to this subsection does not give rise to any action for damages resulting from the disclosure.

5. *As used in this section, "electronic transfer of money" has the meaning ascribed to it in section 1 of this act.*

Sec. 4. NRS 108.650 is hereby amended to read as follows:

108.650 1. Any person or his insurer who, after the receipt of a certified copy of the notice of lien pursuant to NRS 108.610, makes any payment to the injured person, his heirs, personal representatives or the attorney for any of them, as compensation for the injury suffered, without paying the hospital the reasonable value of hospitalization rendered to the injured person and claimed in its notice of lien or so much thereof as can be satisfied out of the money due under any final judgment, settlement or compromise, after paying the attorney's fees, costs and expenses incurred in connection therewith and any prior liens, is, for a period of 180 days after the date of that payment, liable to the hospital for the amount or part thereof which the hospital was entitled to receive. The hospital has, within that period, a cause of action or other claim for relief against the person or insurer making the payment, which may be prosecuted and maintained in any county wherein the notice of lien was filed.

2. ~~¶¶~~ *Except as otherwise provided in this subsection, if the hospital is publicly owned or not for profit, the person or his insurer shall make the payment to the hospital by issuing to the hospital a separate check or other negotiable instrument. If the provisions of section 1 of this act apply, the person or his insurer shall make the payment to the hospital by way of any method of electronic transfer of money ~~is~~ allowed by the hospital.*

3. *As used in this section, "electronic transfer of money" has the meaning ascribed to it in section 1 of this act.*

Sec. 5. The Legislative Counsel shall, where applicable:

1. In preparing the reprint and supplements to the Nevada Revised Statutes, with respect to any section that is not amended by this act or is further amended by another act, appropriately change any reference to a "check" or "negotiable instrument" to an "electronic transfer of money."

2. In preparing supplements to the Nevada Administrative Code, appropriately change any reference to a "check" or "negotiable instrument" to an "electronic transfer of money."

Sec. 6. This act becomes effective on July 1, 2008.

Senator Beers moved the adoption of the amendment.

Remarks by Senators Beers and Carlton.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 528.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 406.

"SUMMARY—Provides for an incremental reduction in certain excise taxes payable by financial institutions and other employers that contribute to health savings accounts for their employees. (BDR 32-1179)"

"AN ACT relating to health savings accounts; providing for an incremental reduction in certain excise taxes payable by financial institutions and other employers that contribute to health savings accounts for their employees; revising certain statutory references to medical savings accounts to instead refer to health savings accounts; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill provides for a partial abatement from the payroll tax that is imposed on financial institutions by NRS 363A.130. A financial institution that contributes to the health savings accounts of its employees may apply to the Department of Taxation for approval of a partial abatement that is equal to the amount contributed by the financial institution to those accounts, except that the partial abatement may not exceed a specified maximum percentage of the payroll tax that the financial institution would otherwise pay. Section 1 specifies that the maximum percentage of this abatement is 10 percent of the payroll tax ~~for~~ during the fiscal year ending on June 30, 2008, and increases that percentage by 10 percent for each subsequent fiscal year until setting a maximum abatement of 50 percent of the payroll tax ~~for~~ during each fiscal year ending on or after June 30, 2012. A financial institution that fails to comply with certain requirements of section 1 may be required to repay the amount of the abatement to the Department.

Section 2 of this bill similarly provides for a partial abatement from the business tax that is imposed on other employers by NRS 363B.110. An employer that contributes to the health savings accounts of its employees may apply to the Department of Taxation for approval of a partial abatement that is equal to the amount contributed by the employer to those accounts, except that the partial abatement may not exceed a specified maximum percentage of the business tax that the employer would otherwise pay. Section 2 specifies that the maximum percentage of this abatement is 10 percent of the business tax ~~for~~ during the fiscal year ending on June 30, 2008, and increases that percentage by 10 percent for each subsequent fiscal year until setting a maximum abatement of 50 percent of the business tax ~~for~~ during each fiscal year ending on or after June 30, 2012. An employer that fails to comply with certain requirements of section 2 may be required to repay the amount of the abatement to the Department.

Existing law requires trustees of medical savings accounts to report annually to the Commissioner of Insurance the number of those accounts which they administered during the previous year. (NRS 689A.735) Section 3 of this bill replaces this requirement with the requirement for trustees of health savings accounts to report annually the number of those accounts which they administered during the previous year.

Existing law authorizes health maintenance organizations to offer certain health care plans to small employers for the purposes of establishing medical savings accounts. (NRS 695C.325) Section 4 of this bill replaces this authority with the authority to offer certain health care plans for the purposes of establishing health savings accounts.

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

Section 1. Chapter 363A of NRS is hereby amended by adding thereto a new section to read as follows:

1. *An employer that contributes to the health savings accounts of its employees may apply to the Department for a partial abatement of the tax imposed pursuant to NRS 363A.130.*

2. *The Department shall approve an application for a partial abatement pursuant to subsection 1 if it determines that:*

(a) The employer contributes an equal amount to the health savings account of each eligible and participating employee, regardless of the level of wages paid to the employee; and

(b) The employer does not contribute to health savings accounts on behalf of those of its employees, if any:

(1) Who are eligible for Medicaid or Medicare; or

(2) For whom medical benefits are paid pursuant to the terms of a collective bargaining agreement.

3. *Except as otherwise provided in subsection 4, the amount of the abatement provided pursuant to this section must be equal to the amount contributed by the employer to the health savings accounts of its employees during each calendar quarter for which the employer is required to remit any tax due pursuant to NRS 363A.130.*

4. *In no case may the amount of the abatement provided pursuant to this section for a calendar quarter exceed:*

(a) In the fiscal year ending on June 30, 2008, 10 percent;

(b) In the fiscal year ending on June 30, 2009, 20 percent;

(c) In the fiscal year ending on June 30, 2010, 30 percent;

(d) In the fiscal year ending on June 30, 2011, 40 percent; and

(e) In the fiscal year ending on June 30, 2012, and in any subsequent fiscal year, 50 percent,

↪ of the taxes otherwise payable by the employer pursuant to NRS 363A.130.

5. *If an employer whose partial abatement has been approved pursuant to this section and is in effect ceases to meet the requirements set forth in*

subsection 2, the employer shall repay to the Department the amount of the exemption that was allowed pursuant to this section before the failure of the employer to comply unless the Commission determines that the employer has substantially complied with the requirements of this section.

6. The abatement provided pursuant to this section is in addition to any other deduction or abatement otherwise provided for by law with respect to the tax imposed pursuant to NRS 363A.130.

7. As used in this section, "health savings account" means a savings or other account that meets the requirements of 26 U.S.C. § 223.

Sec. 2. Chapter 363B of NRS is hereby amended by adding thereto a new section to read as follows:

1. An employer that contributes to the health savings accounts of its employees may apply to the Department for a partial abatement of the tax imposed pursuant to NRS 363B.110.

2. The Department shall approve an application for a partial abatement pursuant to subsection 1 if it determines that:

(a) The employer contributes an equal amount to the health savings account of each eligible and participating employee, regardless of the level of wages paid to the employee; and

(b) The employer does not contribute to health savings accounts on behalf of those of its employees, if any:

(1) Who are eligible for Medicaid or Medicare; or

(2) For whom medical benefits are paid pursuant to the terms of a collective bargaining agreement.

3. Except as otherwise provided in subsection 4, the amount of the abatement provided pursuant to this section must be equal to the amount contributed by the employer to the health savings accounts of its employees during each calendar quarter for which the employer is required to remit any tax due pursuant to NRS 363B.110.

4. In no case may the amount of the abatement provided pursuant to this section for a calendar quarter exceed:

(a) In the fiscal year ending on June 30, 2008, 10 percent;

(b) In the fiscal year ending on June 30, 2009, 20 percent;

(c) In the fiscal year ending on June 30, 2010, 30 percent;

(d) In the fiscal year ending on June 30, 2011, 40 percent; and

(e) In the fiscal year ending on June 30, 2012, and in any subsequent fiscal year, 50 percent,

➤ of the taxes otherwise payable by the employer pursuant to NRS 363B.110.

5. If an employer whose partial abatement has been approved pursuant to this section and is in effect ceases to meet the requirements set forth in subsection 2, the employer shall repay to the Department the amount of the exemption that was allowed pursuant to this section before the failure of the employer to comply unless the Commission determines that the employer has substantially complied with the requirements of this section.

6. *The abatement provided pursuant to this section is in addition to any other deduction or abatement otherwise provided for by law with respect to the tax imposed pursuant to NRS 363B.110.*

7. *As used in this section, "health savings account" means a savings or other account that meets the requirements of 26 U.S.C. § 223.*

Sec. 3. NRS 689A.735 is hereby amended to read as follows:

689A.735 On or before July 1 of each year, a trustee of a ~~medical~~ health savings account established and maintained in accordance with 26 U.S.C. § ~~220~~ 223 shall report to the Commissioner the number of ~~medical~~ health savings accounts administered by the trustee during the previous calendar year.

Sec. 4. NRS 695C.325 is hereby amended to read as follows:

695C.325 A health maintenance organization may offer to a small employer who has not less than 2 and not more than 50 employees, a health care plan that has a high deductible and that is in compliance with 26 U.S.C. § ~~220~~ 223 for the purposes of establishing ~~medical~~ health savings accounts for any person insured by the health care plan.

Sec. 5. This act becomes effective on ~~July 1, 2007.~~ January 1, 2008.

Senator McGinness moved the adoption of the amendment.

Remarks by Senator McGinness.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 153.

Bill read second time and ordered to third reading.

Assembly Bill No. 192.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Raggio moved that Senate Bill No. 211 be rereferred to the Committee on Finance upon return from reprint.

Remarks by Senator Raggio.

Motion carried.

Senator Raggio moved that Senate Bill No. 528 be rereferred to the Committee on Finance upon return from reprint.

Remarks by Senator Raggio.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 6.

Bill read third time.

Remarks by Senators Heck, Titus, Cegavske, Washington and Hardy.

Roll call on Senate Bill No. 6:

YEAS—18.

NAYS—Cegavske, Coffin, Mathews—3.

Senate Bill No. 6 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 7.

Bill read third time.

Roll call on Senate Bill No. 7:

YEAS—19.

NAYS—Carlton, Coffin—2.

Senate Bill No. 7 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 32.

Bill read third time.

Roll call on Senate Bill No. 32:

YEAS—21.

NAYS—None.

Senate Bill No. 32 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 74.

Bill read third time.

Roll call on Senate Bill No. 74:

YEAS—20.

NAYS—Carlton.

Senate Bill No. 74 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 85.

Bill read third time.

Roll call on Senate Bill No. 85:

YEAS—21.

NAYS—None.

Senate Bill No. 85 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 117.

Bill read third time.

Remarks by Senators Cegavske and Hardy.

Roll call on Senate Bill No. 117:

YEAS—14.

NAYS—Care, Carlton, Horsford, Titus, Wiener, Woodhouse—6.

NOT VOTING—Mathews.

Senate Bill No. 117 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 148.

Bill read third time.

Roll call on Senate Bill No. 148:

YEAS—21.

NAYS—None.

Senate Bill No. 148 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 149.

Bill read third time.

Roll call on Senate Bill No. 149:

YEAS—21.

NAYS—None.

Senate Bill No. 149 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 195.

Bill read third time.

Roll call on Senate Bill No. 195:

YEAS—20.

NAYS—Carlton.

Senate Bill No. 195 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 202.

Bill read third time.

Roll call on Senate Bill No. 202:

YEAS—21.

NAYS—None.

Senate Bill No. 202 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 217.

Bill read third time.

Roll call on Senate Bill No. 217:

YEAS—21.

NAYS—None.

Senate Bill No. 217 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 294.

Bill read third time.

Roll call on Senate Bill No. 294:

YEAS—21.

NAYS—None.

Senate Bill No. 294 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 316.

Bill read third time.

Roll call on Senate Bill No. 316:

YEAS—14.

NAYS—Coffin, Horsford, Lee, Mathews, Titus, Wiener, Woodhouse—7.

Senate Bill No. 316 having received a constitutional majority,
Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 361.

Bill read third time.

Roll call on Senate Bill No. 361:

YEAS—21.

NAYS—None.

Senate Bill No. 361 having received a constitutional majority,
Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 389.

Bill read third time.

Roll call on Senate Bill No. 389:

YEAS—21.

NAYS—None.

Senate Bill No. 389 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 420.

Bill read third time.

Roll call on Senate Bill No. 420:

YEAS—21.

NAYS—None.

Senate Bill No. 420 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 486.

Bill read third time.

Roll call on Senate Bill No. 486:

YEAS—21.

NAYS—None.

Senate Bill No. 486 having received a two-thirds majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 500.

Bill read third time.

Roll call on Senate Bill No. 500:

YEAS—21.

NAYS—None.

Senate Bill No. 500 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 504.

Bill read third time.

Roll call on Senate Bill No. 504:

YEAS—21.

NAYS—None.

Senate Bill No. 504 having received a constitutional majority, Mr. President pro Tempore declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 519.

Bill read third time.

Roll call on Senate Bill No. 519:

YEAS—21.

NAYS—None.

Senate Bill No. 519 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Joint Resolution No. 4.

Resolution read third time.

Remarks by Senator Raggio.

Senator Raggio requested that his remarks be entered in the Journal.

Thank you, Mr. President pro Tempore. Senate Joint Resolution No. 4 is simple and straightforward. If passed by two sessions of this Legislature, it would then go on the ballot and

the people of this State would have an opportunity to vote as to whether or not the Regents of the Higher Education System in this State would be appointed.

The resolution amends the Nevada Constitution to eliminate the election of the members of the Board of Regents, provides for their appointment by the Governor and authorizes the Legislature to provide, by law, for the organization of the Board, including the number of members, their term of office and their qualifications. If the voters approve the ballot question, then the Legislature would be given the discretion to decide if terminating the existing terms of office is in the best interest of the people.

Nevada is the only state in the Nation where the Board of Regents for governance of higher education is elected by the people. The procedure goes back to 1864. It is a provision in the *Nevada State Constitution* constructed at a time before we even had a university or any higher education establishments.

Ballot question No. 9 was voted on in the last election in 2005. It failed by a slight margin. It was a complex proposal that would have had a nine-member board, with one member elected from each Congressional District. The language was complicated in comparison to the language in this straightforward resolution. There was less than 1.5 percent difference between the votes for and against the proposal. Some might interpret that to mean that since it failed by that slim margin that the people of Nevada did not want an appointed Board of Regents. I do not know if that is the case or not. I do know, that since we are the only state that directly elects the Board of Regents for governance for the Higher Education System, that the people should, again, have a right to vote. I feel if they were given the right proposal they might vote to appoint the Regents.

This is not a proposal that has originated recently. This resolution is not intended to be punitive for the current members of the Board of Regents. We have some fine Regents. I think this resolution proposes a better system. It is one that almost every other state utilizes. There are two states where the legislature itself elects the board of regents. I am not, nor are the sponsors of this resolution, proposing this method of election. The purpose of this resolution is to provide a better and more universal method of governance for the Higher Education System.

I ask for your support to allow the people the right to vote on whether or not appointment of the Board is better. I believe appointing members will provide a better connection where there is some element of disconnect today between the Executive and Legislative Branch's and the governance of our Higher Education System, a system that is much more complex than what was envisioned in 1864.

Roll call on Senate Joint Resolution No. 4:

YEAS—12.

NAYS—Care, Carlton, Horsford, Lee, Mathews, Schneider, Titus, Wiener, Woodhouse—9.

Senate Joint Resolution No. 4 having received a constitutional majority,
Mr. President pro Tempore declared it passed.

Resolution ordered transmitted to the Assembly.

Senate Joint Resolution No. 15.

Resolution read third time.

Roll call on Senate Joint Resolution No. 15:

YEAS—21.

NAYS—None.

Senate Joint Resolution No. 15 having received a constitutional majority,
Mr. President pro Tempore declared it passed, as amended.

Resolution ordered transmitted to the Assembly.

Senate Joint Resolution No. 16.

Resolution read third time.

Roll call on Senate Joint Resolution No. 16:

YEAS—21.

NAYS—None.

Senate Joint Resolution No. 16 having received a constitutional majority, Mr. President pro Tempore declared it passed, as amended.

Resolution ordered transmitted to the Assembly.

Senate Bill No. 83.

Bill read third time.

The following amendment was proposed by Senator Hardy:

Amendment No. 28.

"SUMMARY—Revises provisions governing the Grants Management Advisory Committee of the Department of Health and Human Services. (BDR 18-593)"

"AN ACT relating to public administration; revising provisions governing the membership of the Grants Management Advisory Committee of the Department of Health and Human Services; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the Grants Management Advisory Committee of the Department of Health and Human Services, which consists of 11 members appointed by the Director of the Department, reviews, monitors and provides recommendations concerning requests for money to provide services to persons served by programs administered by the Department, assists the Department in determining the needs and priorities for funding programs administered by the Department, and considers funding strategies for the Department. (NRS 232.383, 232.385) This bill authorizes certain members of the Grants Management Advisory Committee to designate another person to serve in their place and revises the qualifications of certain other members.

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

Section 1. NRS 232.383 is hereby amended to read as follows:

232.383 1. The Grants Management Advisory Committee is hereby created within the Department.

2. The Advisory Committee consists of the following 11 members appointed by the Director:

(a) A superintendent ~~representative~~ of a county school district ~~;~~ or his designee;

(b) A director ~~representative~~ of a local agency ~~providing~~ which provides services for abused or neglected children ~~;~~

~~(c) A representative of a community organization involved with~~ or his designee;

(c) Two members who possess knowledge, skill and experience in the provision of services to children;

(d) ~~A representative of a department of juvenile justice services;~~

~~(e)~~ A member who possesses knowledge, skill and experience in the provision of services to senior citizens;

~~[(f)]~~ (e) Two members who possess knowledge, skill and experience in finance or in business generally;

~~[(g)]~~ (f) A representative of the Nevada Association of Counties;

~~[(h)]~~ A representative of a broad-based nonprofit organization

(g) A *member* who possesses knowledge, skill and experience ~~in collaborating with the community and~~ in building partnerships between the public sector and the private sector; and

~~[(i)]~~ (h) Two members of the public who possess knowledge of or experience in the provision of services to persons or families who are disadvantaged or at risk.

3. The Director shall ensure that, insofar as practicable, the members whom he appoints reflect the ethnic and geographical diversity of this State.

4. After the initial terms, each member of the Advisory Committee serves for a term of 2 years. Each member of the Advisory Committee continues in office until his successor is appointed.

5. Each member of the Advisory Committee who is not an officer or employee of this State or a political subdivision of this State is entitled to receive a salary of not more than \$80 per day, fixed by the Director, while engaged in the business of the Advisory Committee.

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

7. A majority of the members of the Advisory Committee constitutes a quorum for the transaction of business, and a majority of a quorum present at any meeting is sufficient for any official action taken by the Advisory Committee.

8. A member of the Advisory Committee who is an officer or employee of this State or a political subdivision of this State must be relieved from his duties without loss of his regular compensation so that he may prepare for and attend meetings of the Advisory Committee and perform any work necessary to carry out the duties of the Advisory Committee in the most timely manner practicable. A state agency or political subdivision of this State shall not require an officer or employee who is a member of the Advisory Committee to:

(a) Make up the time he is absent from work to carry out his duties as a member of the Advisory Committee; or

(b) Take annual leave or compensatory time for the absence.

9. The Advisory Committee shall:

(a) At its first meeting and annually thereafter, elect a Chairman from among its members;

(b) Meet at the call of the Director, the Chairman or a majority of its members as necessary, within the budget of the Advisory Committee, but not to exceed six meetings per year; and

(c) Adopt rules for its own management and government.

Sec. 2. The provisions of NRS 232.383, as amended by section 1 of this act, apply to appointments to the Grants Management Advisory Committee of the Department of Health and Human Services made on or after the effective date of this act.

Sec. 3. This act becomes effective upon passage and approval.

Senator Hardy moved the adoption of the amendment.

Remarks by Senator Hardy.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 409.

Bill read third time.

The following amendment was proposed by Senator Titus:

Amendment No. 498.

"SUMMARY—Requires policies of health insurance and health plans to provide coverage for a vaccine to protect against cervical cancer. (BDR 57-1077)"

"AN ACT relating to insurance; requiring policies of health insurance to provide coverage for the human papillomavirus vaccine to protect against cervical cancer; requiring the Director of the Department of Health and Human Services to include coverage for the human papillomavirus vaccine in the State Plan for Medicaid; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Sections 2 and 5-8 of this bill require policies of individual health insurance, policies of group health insurance, policies of health insurance issued by a hospital or medical service corporation, health maintenance plans and health care plans issued by managed care organizations to provide coverage for expenses incurred for the human papillomavirus vaccine administered to women and girls in this State. The policies of health insurance may not require the insured women and girls to receive prior authorization for the vaccine. The human papillomavirus vaccine is defined as either the currently available Quadrivalent Human Papillomavirus Recombinant Vaccine or any successor it may have which is approved by the Food and Drug Administration for the prevention of the human papillomavirus or cervical cancer. ~~Sections 9 and 10 of this bill require that plans of self-insurance provided by certain governmental agencies include the same coverage.~~ *Section 10 of this bill requires the Public Employees' Benefits Program to include the same coverage in any plan of self-insurance the Program provides.* Section 11 of this bill requires that the Director of the

Department of Health and Human Services include coverage for the human papillomavirus vaccine in the State Plan for Medicaid.

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

Section 1. NRS 687B.225 is hereby amended to read as follows:

687B.225 1. Except as otherwise provided in NRS 689A.0405, 689A.0413, 689B.031, 689B.0374, 695B.1912, 695B.1914, 695C.1713, 695C.1735 and 695G.170, *and sections 2 and 5 to 8, inclusive, of this act*, any contract for group, blanket or individual health insurance or any contract by a nonprofit hospital, medical or dental service corporation or organization for dental care which provides for payment of a certain part of medical or dental care may require the insured or member to obtain prior authorization for that care from the insurer or organization. The insurer or organization shall:

(a) File its procedure for obtaining approval of care pursuant to this section for approval by the Commissioner; and

(b) Respond to any request for approval by the insured or member pursuant to this section within 20 days after it receives the request.

2. The procedure for prior authorization may not discriminate among persons licensed to provide the covered care.

Sec. 2. Chapter 689A of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A policy of health insurance must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.*

2. *A policy of health insurance must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.*

3. *A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with subsection 1 is void.*

4. *For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.*

Sec. 3. NRS 689A.040 is hereby amended to read as follows:

689A.040 1. Except as *otherwise* provided in subsections 2 and 3, each such policy delivered or issued for delivery to any person in this State must contain the provisions specified in NRS 689A.050 to 689A.170, inclusive, *and section 2 of this act* in the words in which the provisions appear, except that the insurer may, at its option, substitute for one or more of the provisions

corresponding provisions of different wording approved by the Commissioner which are in each instance not less favorable in any respect to the insured or the beneficiary. Each such provision must be preceded individually by the applicable caption shown, or, at the option of the insurer, by such appropriate individual or group captions or subcaptions as the Commissioner may approve.

2. Each policy delivered or issued for delivery in this State after November 1, 1973, must contain a provision, if applicable, setting forth the provisions of NRS 689A.045.

3. If any such provision is in whole or in part inapplicable to or inconsistent with the coverage provided by a particular form of policy, the insurer, with the approval of the Commissioner, may omit from the policy any inapplicable provision or part of a provision, and shall modify any inconsistent provision or part of a provision in such a manner as to make the provision as contained in the policy consistent with the coverage provided by the policy.

Sec. 4. NRS 689A.330 is hereby amended to read as follows:

689A.330 If any policy is issued by a domestic insurer for delivery to a person residing in another state, and if the insurance commissioner or corresponding public officer of that other state has informed the Commissioner that the policy is not subject to approval or disapproval by that officer, the Commissioner may by ruling require that the policy meet the standards set forth in NRS 689A.030 to 689A.320, inclusive ~~†~~, and section 2 of this act.

Sec. 5. Chapter 689B of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A policy of group health insurance must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.*

2. *A policy of group health insurance must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.*

3. *A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with subsection 1 is void.*

4. *For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.*

Sec. 6. Chapter 695B of NRS is hereby amended by adding thereto a new section to read as follows:

1. A policy of health insurance issued by a hospital or medical service corporation must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A policy of health insurance issued by a hospital or medical service corporation must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. A policy subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the policy or the renewal which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the *Quadrivalent Human Papillomavirus Recombinant Vaccine* or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 7. Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A health maintenance plan must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A health maintenance plan must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. Any evidence of coverage subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the evidence of coverage or the renewal which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the *Quadrivalent Human Papillomavirus Recombinant Vaccine* or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 8. Chapter 695G of NRS is hereby amended by adding thereto a new section to read as follows:

1. A health care plan issued by a managed care organization must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the

United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.

2. A health care plan must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.

3. An evidence of coverage for a health care plan subject to the provisions of this chapter which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the evidence of coverage or the renewal thereof which is in conflict with subsection 1 is void.

4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.

Sec. 9. ~~[Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~1. If the governing body of any county, school district, municipal corporation, political subdivision, public corporation or other local governmental agency of the State of Nevada provides health insurance through a plan of self insurance, the plan must provide coverage for benefits payable for expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.~~

~~2. The plan of self insurance must not require an insured to obtain prior authorization for any service provided pursuant to subsection 1.~~

~~3. A plan of self insurance described in subsection 1 which is delivered, issued for delivery or renewed on or after July 1, 2007, has the legal effect of including the coverage required by subsection 1, and any provision of the plan which is in conflict with subsection 1 is void.~~

~~4. For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration for the prevention of human papillomavirus infection and cervical cancer.] (Deleted by amendment.)~~

Sec. 10. NRS 287.04335 is hereby amended to read as follows:

287.04335 If the Board provides health insurance through a plan of self-insurance, it shall comply with the provisions of NRS 689B.255, 695G.150, 695G.160, 695G.164, 695G.170, 695G.173, 695G.200 to 695G.230, inclusive, 695G.241 to 695G.310, inclusive, and 695G.405, and section 8 of this act in the same manner as an insurer that is licensed pursuant to title 57 of NRS is required to comply with those provisions.

Sec. 11. Chapter 422 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *The Director shall include in the State Plan for Medicaid a requirement that the State shall pay the nonfederal share of expenses incurred for administering the human papillomavirus vaccine to women and girls at such ages as recommended for vaccination by a competent authority, including, without limitation, the Centers for Disease Control and Prevention of the United States Department of Health and Human Services, the Food and Drug Administration or the manufacturer of the vaccine.*

2. *For the purposes of this section, "human papillomavirus vaccine" means the Quadrivalent Human Papillomavirus Recombinant Vaccine or its successor which is approved by the Food and Drug Administration to be used for the prevention of human papillomavirus infection and cervical cancer.*

Sec. 12. This act becomes effective on July 1, 2007.

Senator Titus moved the adoption of the amendment.

Remarks by Senators Titus and Cegavske.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

REPORTS OF COMMITTEES

Mr. President pro Tempore:

Your Committee on Commerce and Labor, to which were referred Assembly Bills Nos. 27, 35, 100, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Commerce and Labor, to which was referred Senate Bill No. 3, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDOLPH J. TOWNSEND, *Chair*

Mr. President pro Tempore:

Your Committee on Human Resources and Education, to which were referred Senate Bills Nos. 185, 239, 244, 264, 312, 313, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MAURICE E. WASHINGTON, *Chair*

MOTIONS, RESOLUTIONS AND NOTICES

Senator Heck moved that Senate Bill No. 415 be taken from the Secretary's desk and placed on the Second Reading File for the next legislative day.

Remarks by Senator Heck.

Motion carried.

UNFINISHED BUSINESS

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President pro Tempore and Secretary signed Assembly Bill No. 9; Assembly Concurrent Resolutions Nos. 19, 20.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Lee, the privilege of the floor of the Senate Chamber for this day was extended to Judge Natalie Tyrrell and David Lloyd.

On request of Senator Rhoads, the privilege of the floor of the Senate Chamber for this day was extended to Kristen Torvinen.

Senator Raggio moved that the Senate adjourn until Thursday, April 19, 2007, at 11 a.m.

Motion carried.

Senate adjourned at 1:22 p.m.

Approved:

MARK E. AMODEI
President pro Tempore of the Senate

Attest: CLAIRE J. CLIFT
Secretary of the Senate