

THE ONE HUNDRED AND ELEVENTH DAY

CARSON CITY (Saturday), May 28, 2011

Assembly called to order at 10:51 a.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Assemblywoman Irene Bustamante Adams.

Good morning my beloved Creator, praise be Your name. Thank You for teaching us yesterday that there is a time to weep and a time to laugh. Humor celebrates the goodness of who You are. It is Your gift to help us deal with the trials and tribulations that we must face.

Thank You for lightening the load and not letting the joy be sucked out of us. I am eternally grateful that You know my name. Lord You also remind us that You have a plan like You did for Your servant Jeremiah. For You said in Jeremiah 29:11:

For I know the plans I have for you, declares the Lord, plans to prosper you and not to harm you, plans to give you a hope and a future. Then you will call upon me and come and pray to me, and I will listen to you.

Thank You for Your divine guidance individually and as servants to the great people of this state. May the work we do bring You glory. It is in Your precious Son's name.

AMEN.

Pledge of allegiance to the Flag.

Assemblyman Conklin moved that further reading of the Journal be dispensed with, and the Speaker and Chief Clerk be authorized to make the necessary corrections and additions.

Motion carried.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Ways and Means has had under consideration the various budgets for the Department of Corrections, and begs leave to report back that the following accounts have been closed by the Committee:

Director's Office (101-3710)
Prison Medical Care (101-3706)
Correctional Programs (101-3711)
Ely State Prison (101-3751)
High Desert State Prison (101-3762)
Northern Nevada Correctional Center (101-3717)
Nevada State Prison (101-3718)
Southern Desert Correctional Center (101-3738)
Lovelock Correctional Center (101-3759)
Southern Nevada Correctional Center (101-3715)
Warm Springs Correctional Center (101-3716)
Florence McClure Women's Correctional Center (101-3761)

Casa Grande Transitional Housing (101-3760)
 Northern Nevada Restitution Center (101-3724)
 Stewart Conservation Camp (101-3722)
 Pioche Conservation Camp (101-3723)
 Three Lakes Valley Conservation Camp (101-3725)
 Wells Conservation Camp (101-3739)
 Humboldt Conservation Camp (101-3741)
 Ely Conservation Camp (101-3747)
 Jean Conservation Camp (101-3748)
 Silver Springs Conservation Camp (101-3749)
 Carlin Conservation Camp (101-3752)
 Tonopah Conservation Camp (101-3754)
 Offenders' Store Fund (240-3708)
 Inmate Welfare Account (240-3763)
 Prison Industry (525-3719)
 Prison Dairy (525-3727)

DEBBIE SMITH, *Chair*

Mr. Speaker:

Your Committee on Judiciary, to which was referred Senate Bill No. 101, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Judiciary, to which were referred Senate Bills Nos. 257, 282, 402, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

WILLIAM C. HORNE, *Chair*

Mr. Speaker:

Your Committee on Legislative Operations and Elections, to which was referred Senate Bill No. 133, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

TICK SEGERBLOM, *Chair*

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that the following budget closure remarks be entered in the Journal.

Motion carried.

REMARKS FROM THE FLOOR

ASSEMBLYWOMAN SMITH:

The Assembly Committee on Ways and Means developed the following recommendations for the 28 budget accounts within the Department of Corrections, resulting in additional General Fund appropriations of \$988,726 in FY 2012 and General Fund reductions of \$1.5 million in FY 2013.

The Department's budget is primarily driven by the projected number of inmates to be housed. The Executive Budget provided funding to house an average of 12,751 inmates in FY 2012 and 12,789 inmates in FY 2013. The budget, as modified by the Committee, will provide funding to house an average of 12,568 inmates in FY 2012 and 12,575 in FY 2013. This budget modification was the result of an updated projection of the inmate population in February 2011, which reflects a decline in the level of inmate population growth due to an increase in parole releases, a decrease in parole and probation returns to prison, and a leveling of new court commitments sent to prison. The revised inmate population levels result in a total savings in inmate-driven expenditures of \$515,399 in FY 2012 and \$628,863 in FY 2013.

Nevada State Prison (101-3718) CORRECTIONS-56, High Desert State Prison (101-3762) CORRECTIONS-39, and Wells Conservation Camp (101-3739) CORRECTIONS-143:

The Committee approved the Governor's recommendation to close Nevada State Prison and Wells Conservation Camp. However, instead of closing Nevada State Prison on October 31, 2011, and Wells Conservation Camp on August 1, 2011, the Committee chose to delay closing these facilities until April 30, 2012, and February 1, 2012, respectively. The two facility closures generate a combined General Fund savings of \$16.3 million over the 2011-13 biennium (\$14.8 million from Nevada State Prison and \$1.5 million from Wells Conservation Camp). The savings results primarily from the elimination of 128 positions, including 116 positions assigned to Nevada State Prison and 12 positions assigned to Wells Conservation Camp.

The facility closures reduce the Department's total bed capacity by 782 beds; however, the Committee also approved the Governor's recommendation to reopen two vacant housing units at High Desert State Prison in order to accommodate the majority of the inmate population at Nevada State Prison. These housing units will provide the Department with 600 additional beds. With the reduction of 255 beds above emergency capacity, the Department's net bed count will decrease by 437 beds compared to the number of beds approved by the 2009 Legislature.

In order to staff the two vacant housing units, the Committee approved the Governor's recommendation to transfer 59 positions from Nevada State Prison to High Desert State Prison. In addition, the Committee approved the transfer of 27 positions from Nevada State Prison to other facilities, including seven positions to Warm Springs Correctional Center, eight positions to Northern Nevada Correctional Center, nine positions to Southern Desert Correctional Center, and three positions to Florence McClure Women's Correctional Center. The positions transferring to the northern facilities will take effect on July 1, 2011, while the positions transferring to the southern facilities will be phased in through April 2012 in order to minimize staff layoffs.

Both Nevada State Prison and Wells Conservation Camp will be maintained in a mothball status. Accordingly, the Committee approved General Fund appropriations of \$1.1 million for Nevada State Prison and \$76,208 for Wells Conservation Camp over the 2011-13 biennium to support mothballing costs. A portion of mothballing costs associated with Nevada State Prison will be used to continue operating Prison Industry programs at the facility, including the license plate factory and the print shop. These programs will employ minimum-custody inmates transported from Stewart Conservation Camp.

Director's Office (101-3710) CORRECTIONS-1:

The Committee voted to approve the Governor's recommendation to implement a new Energy Management Program in order to monitor the Department's energy consumption and to undertake appropriate actions identifying and correcting energy waste and inefficiencies at all of the Department's facilities and camps. In order to staff the program, the Committee approved the Governor's recommendation for two new positions, including an Energy Program Manager and a HVACR Specialist II.

The Committee did not approve the Governor's recommendation for General Fund appropriations of \$300,454 in FY 2012 for a surveillance system at Ely State Prison, but instead recommended the project be included as part of the 2011 Capital Improvement Program projects and funded with unused bond funding previously allocated by the 2007 Legislature to fund a surveillance system at Nevada State Prison.

Prison Medical Care (101-3706) CORRECTIONS-13:

The Committee voted to approve the Governor's recommendation to create a new stale claims category with General Fund appropriations of \$964,857 in each year of the 2011-13 biennium to fund stale claims incurred during the previous year with current year funding contingent upon the passage of Assembly Bill 530. However, the Committee did not approve the Governor's recommendation to account for additional stale claims expenditures included in the base budget as part of the agency's outside medical expenditures for General Fund savings of \$366,975 in each year of the biennium.

The Committee voted to approve the Governor's recommendation to provide General Fund appropriations of \$1.1 million in FY 2012 and \$1.8 million in FY 2013 for projected inflationary increases associated with outside medical care, medical supplies and durable medical equipment.

In response to the State's settlement agreement with the American Civil Liberties Union on behalf of inmates at Ely State Prison, the Committee approved the Governor's recommendation for General Fund appropriations of \$818,271 over the 2011-13 biennium to establish six new medical positions, including one Correctional Nurse, three Licensed Practical Nurses, one Psychiatric Nurse and one Administrative Assistant.

The Committee also voted to approve the Governor's recommendation to eliminate two Correctional Nurses and one Director of Nursing Services. These positions are assigned to Nevada State Prison and will no longer be required upon the facility's closure, resulting in a General Fund savings of \$617,748 in the 2011-13 biennium.

Correctional Programs (101-3711) CORRECTIONS-23:

The Committee approved the Governor's recommendation for General Funds appropriations of \$447,756 in FY 2012 and \$476,560 in FY 2013 to continue inmate reentry services in Northern Nevada that have been historically funded with federal funds. The funding provides for two Program Officer positions, a subgrant of \$232,232 in each year of the biennium to a nonprofit community organization for post release reentry services, \$83,702 each year of the biennium for indigent inmate housing and \$47,050 each year to provide inmates with "green construction" job training. In addition, the Committee approved issuing a letter of intent directing the Department to revert General Fund appropriations in support of the two Program Officers in the event federal funds are awarded for the Northern Nevada re-entry program. The Committee also directed the Department to report to the Interim Finance Committee annually regarding the status of its northern and southern re-entry programs.

The Committee approved the Governor's recommendation to eliminate two Psychologist positions assigned to Nevada State Prison, but delayed the termination date of the positions until April 30, 2012, in order to accommodate the revised closure plan approved for Nevada State Prison by the Committee.

Three Lakes Valley Conservation Camp (101-3725) CORRECTIONS-136:

The Executive Budget provided for the transfer of three Correctional Officers from Nevada State Prison to Three Lakes Valley Conservation Camp. However, after re-evaluating the Camp's staffing needs, the Governor submitted a budget amendment to withdraw the transfer recommendation, thereby eliminating the positions as part of the Nevada State Prison closure plan. The Committee voted to approve the Governor's recommendation, as amended, to eliminate the three positions for General Fund savings of \$470,985 over the 2011-13 biennium.

Offenders' Store Fund (240-3708) CORRECTIONS-189:

The Committee approved the Governor's recommendation to eliminate two Retail Storekeepers responsible for managing the Offenders' Store at Nevada State Prison. However, the Committee approved delaying the termination date of the two positions until April 30, 2012, in order to accommodate the revised closure plan approved for Nevada State Prison by the Committee.

Inmate Welfare Account (240-3763) CORRECTIONS-197:

The Committee approved the Governor's recommendation to eliminate one Administrative Assistant assigned to the Nevada State Prison law library, and one Athletic and Recreation Specialist responsible for recreational programs at Nevada State Prison. However, the Committee approved delaying the termination date of the two positions until April 30, 2012, in order to accommodate the revised closure plan approved for Nevada State Prison by the Committee.

The following budget accounts were reviewed and closed by the Committee as recommended by the Governor, with adjustments for inmate population changes and minor technical adjustments:

- Southern Nevada Correctional Center (101-3715)
- Warm Springs Correctional Center (101-3716)
- Northern Nevada Correctional Center (101-3717)
- Prison Industry (525-3719)
- Stewart Conservation Camp (101-3722)
- Pioche Conservation Camp (101-3723)

- Northern Nevada Restitution Center (101-3724)
- Prison Dairy (525-3727)
- Southern Desert Correctional Center (101-3738)
- Humboldt Conservation Camp (101-3741)
- Ely Conservation Camp (101-3747)
- Jean Conservation Camp (101-3748)
- Silver Springs Conservation Camp (101-3749)
- Ely State Prison (101-3751)
- Carlin Conservation Camp (101-3752)
- Tonopah Conservation Camp (101-3754)
- Lovelock Correctional Center (101-3759)
- Casa Grande Transitional Housing Center (101-3760)
- Florence McClure Women's Correctional Center (101-3761)

MOTIONS, RESOLUTIONS AND NOTICES

NOTICE OF EXEMPTION

May 28, 2011

The Fiscal Analysis Division, pursuant to Joint Standing Rule 14.6, has determined the eligibility for exemption of: Senate Bill No. 314.

RICK COMBS
Fiscal Analysis Division

Assemblyman Conklin moved that Senate Bills Nos. 101, 133, 257, 282, 402, just reported out of committee, be placed on the Second Reading File.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 101.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 659.

SUMMARY—Revises ~~[certain]~~ provisions relating to ~~[certificates of marriage and the solemnization of]~~ marriage. (BDR 11-635)

AN ACT relating to marriage; revising certain provisions relating to certificates of marriage and the solemnization of marriage; **revising provisions governing deputy commissioners of civil marriages;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the county clerk may place an affidavit of application for a marriage license, a certificate of marriage and a marriage license on a single form, on the reverse of which the county clerk must have printed or stamped instructions for obtaining a certified copy or certified abstract of the certificate of marriage. (NRS 122.055) **Section 2** of this bill requires the county clerk to include on the reverse of such a form: (1) instructions for obtaining a certified copy or certified abstract of the certificate of marriage; (2) certain language explaining that the certificate is not a certified copy and that a certified copy will need to be obtained for certain legal matters; and (3) a time stamp used by the clerk to signify that the form has been filed.

Existing law also provides that a certificate of permission to perform marriages expires when a minister or other person who is authorized to solemnize a marriage, to whom the certificate has been issued, moves from the county in which his or her certificate was issued. (NRS 122.066) **Section 3** of this bill specifies that a certificate of permission remains valid when a minister or other person who is authorized to solemnize a marriage, who is retired and who has been issued the certificate, moves to another county in this State.

Existing law authorizes, under certain circumstances, the commissioner of civil marriages in certain counties to appoint deputy commissioners of civil marriages and provides that deputy commissioners of civil marriages are employees of the county clerk's office. (NRS 122.175) Section 5 of this bill: (1) removes the prohibition against deputy commissioners of civil marriages solemnizing marriages at any time other than the working hours or shift during which the deputy commissioners of civil marriages are employed; (2) sets forth certain prerequisites that must be satisfied before a person who will be retained as an independent contractor by the county clerk's office may be appointed as a deputy commissioner of civil marriages; and (3) authorizes the compensation of a deputy commissioner of civil marriages who is retained as an independent contractor by the county clerk's office to be based upon the number or volume of marriages that the deputy commissioner solemnizes.

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

Section 1. (Deleted by amendment.)

Sec. 2. NRS 122.055 is hereby amended to read as follows:

122.055 1. The county clerk may place the affidavit of application for a marriage license, the certificate of marriage and the marriage license on a single form.

2. The county clerk shall have printed or stamped on the reverse of the form ~~[instructions]~~ :

(a) **Instructions** for obtaining a certified copy or certified abstract of the certificate of marriage.

(b) **Language in black ink and at least 16-point bold type in a font that is easy to read and that is in substantially the following form:**

This is your certificate. This is not a certified copy. For name changes and other legal matters, you will need to obtain a certified copy.

3. *Nothing may be printed, stamped or written on the reverse of the form other than the instructions and language described in subsection 2 and a time stamp used by the county clerk to signify that the form has been filed.*

Sec. 3. NRS 122.066 is hereby amended to read as follows:

122.066 1. The Secretary of State shall establish and maintain a statewide database of ministers or other persons authorized to solemnize a marriage. The database must:

- (a) Serve as the official list of ministers or other persons authorized to solemnize a marriage approved in this State;
- (b) Provide for a single method of storing and managing the official list;
- (c) Be a uniform, centralized and interactive database;
- (d) Be electronically secure and accessible to each county clerk in this State;
- (e) Contain the name, mailing address and other pertinent information of each minister or other person authorized to solemnize a marriage as prescribed by the Secretary of State; and
- (f) Include a unique identifier assigned by the Secretary of State to each minister or other person authorized to solemnize a marriage.

2. If the county clerk approves an application for a certificate of permission to perform marriages, the county clerk shall:

- (a) Enter all information contained in the application into the electronic statewide database of ministers or other persons authorized to solemnize a marriage maintained by the Secretary of State not later than 10 days after the certificate of permission to perform marriages is approved by the county clerk; and
- (b) Provide to the Secretary of State all information related to the minister or other person authorized to solemnize a marriage pursuant to paragraph (e) of subsection 1.

3. Upon approval of an application pursuant to subsection 2, the minister or other person authorized to solemnize a marriage:

- (a) Shall comply with the laws of this State governing the solemnization of marriage and conduct of ministers or other persons authorized to solemnize a marriage;
- (b) Is subject to further review or investigation by the county clerk to ensure that he or she continues to meet the statutory requirements for a person authorized to solemnize a marriage; and
- (c) Shall provide the county clerk with any changes to his or her status or information, including, without limitation, the address or telephone number of the church or religious organization or any other information pertaining to certification.

4. A certificate of permission is valid until the county clerk has received an affidavit of revocation of authority to solemnize marriages pursuant to NRS 122.0665.

5. An affidavit of revocation of authority to solemnize marriages that is received pursuant to subsection 4 must be sent to the county clerk within 5 days after the minister or other person authorized to solemnize a marriage ceased to be a member of the church or religious organization in good standing or ceased to be a minister or other person authorized to solemnize a marriage for the church or religious organization.

6. If the county clerk in the county where the certificate of permission was issued has reason to believe that the minister or other person authorized to solemnize a marriage is no longer in good standing within his or her church or religious organization, or that he or she is no longer a minister or other person authorized to solemnize a marriage, or that such church or religious organization no longer exists, the county clerk may require satisfactory proof of the good standing of the minister or other person authorized to solemnize a marriage. If such proof is not presented within 15 days, the county clerk shall revoke the certificate of permission by amending the electronic record of the minister or other person authorized to solemnize a marriage in the statewide database pursuant to subsection 1.

7. ~~¶~~ ***Except as otherwise provided in subsection 8, if*** any minister or other person authorized to solemnize a marriage to whom a certificate of permission has been issued severs ties with his or her church or religious organization or moves from the county in which his or her certificate was issued, the certificate shall expire immediately upon such severance or move, and the church or religious organization shall, within 5 days after the severance or move, file an affidavit of revocation of authority to solemnize marriages pursuant to NRS 122.0665. If the minister or other person authorized to solemnize a marriage voluntarily advises the county clerk of the county in which his or her certificate was issued of his or her severance with his or her church or religious organization, or that he or she has moved from the county, the certificate shall expire immediately upon such severance or move without any notification to the county clerk by the church or religious organization.

8. ***If any minister or other person authorized to solemnize a marriage, who is retired and to whom a certificate of permission has been issued, moves from the county in which his or her certificate was issued to another county in this State, the certificate remains valid until such time as the certificate otherwise expires or is revoked as prescribed by law. The minister or other person authorized to solemnize a marriage must provide his or her new address to the county clerk in the county to which the minister or other person authorized to solemnize a marriage has moved.***

9. The Secretary of State may adopt regulations concerning the creation and administration of the statewide database. This section does not prohibit the Secretary of State from making the database publicly accessible for the purpose of viewing ministers or other persons who are authorized to solemnize a marriage in this State.

Sec. 4. (Deleted by amendment.)

Sec. 5. NRS 122.175 is hereby amended to read as follows:

122.175 1. In a county whose population is 400,000 or more, the commissioner of civil marriages may appoint deputy commissioners of civil marriages. Such deputies shall:

(a) Solemnize marriages in commissioner townships under the direction of the commissioner; and

(b) Perform such other duties as the commissioner may direct.

2. In a county whose population is less than 400,000 and in which the board of county commissioners has appointed the county clerk to act as the commissioner of civil marriages, the board may, by ordinance, establish the number of deputy commissioners of civil marriages which may be appointed by the commissioner of civil marriages to carry out the duties set forth in subsection 1.

~~3. No deputy commissioner of civil marriages may solemnize marriages at any time other than during the working hours or shift during which the deputy commissioner is employed.~~

~~4.]~~ The deputy commissioners of civil marriages *who* are employees of the county clerk's office ~~and~~ are entitled to be compensated by a salary and by such other benefits as are available to other county personnel regularly employed in the same county clerk's office. The compensation of any deputy commissioner of civil marriages *who is an employee of the county clerk's office* must not be based in any manner upon the number or volume of marriages that the deputy commissioner may solemnize in the performance of his or her duties.

4. Before the commissioner of civil marriages may appoint a person who will be retained as an independent contractor by the county clerk's office as a deputy commissioner of civil marriages:

(a) The person must submit to the commissioner of civil marriages for the purposes of a background check:

(1) The person's name and social security number; and

(2) Any other information required by the commissioner of civil marriages.

(b) The commissioner of civil marriages:

(1) May require the district attorney and the sheriff to conduct an investigation of the background and present activities of the person; and

(2) Shall satisfy himself or herself that:

(I) No certificate of permission to perform marriages previously issued to the person has been cancelled for a knowing violation of the laws of this State or of the United States; and

(II) The person has not been convicted of a felony, released from confinement or completed his or her parole or probation, whichever occurs later, within 10 years before the date of submission of the information required pursuant to paragraph (a).

5. The compensation of a deputy commissioner of civil marriages who is retained as an independent contractor by the county clerk's office may be based upon the number or volume of marriages that the deputy commissioner solemnizes in the performance of his or her duties.

~~6.]~~ In counties in which deputy commissioners of civil marriages are ~~employed,~~ appointed, no more than two deputy commissioners may be on duty within the courthouse of such a county for the purpose of solemnizing marriages at any one time.

~~{Sec. 5.}~~ *Sec. 6.* This act becomes effective on July 1, 2011.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Senate Bill No. 133

Bill read second time and ordered to third reading.

Senate Bill No. 257.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 794.

AN ACT relating to crimes; revising various provisions governing graffiti offenses; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law generally provides that a person who unlawfully places graffiti on or otherwise defaces public or private property is guilty of a misdemeanor, gross misdemeanor or felony, depending on the value of the loss of the property. Additionally, if a person commits more than one offense pursuant to a scheme or continuing course of conduct, the value of the loss of all the property must be aggregated for the purposes of determining a penalty if the value of the loss is \$5,000 or more. (NRS 206.330) **Section 1** of this bill revises this provision and requires aggregation when the value of the loss is \$500 or more. **Section 1** also provides that a person who commits an offense on any protected site in this State is guilty of a category C felony.

Existing law also requires a person who unlawfully places graffiti on or otherwise defaces public or private property to pay a monetary fine and perform community service. (NRS 206.330) **Section 1** specifies that in addition to any other fine or penalty imposed, a court may order such a person to pay restitution. **Section 1** also provides that a person convicted of a third offense must perform up to 300 hours of community service for up to a year cleaning up, repairing, replacing or keeping clean of graffiti the property damaged or destroyed by the person or another specified property.

Section 2 of this bill also authorizes a court to order a person who unlawfully places graffiti on or otherwise defaces public or private property to participate in counseling, and if the person is less than 18 years of age, order the parent or legal guardian of the person to attend or participate in counseling. **Section 2** further authorizes the owner of public or private property that has been damaged by graffiti to bring a civil action against the person who damaged the property. The property owner may be awarded damages in an amount up to three times the amount of any loss in value to the property and up to three times the cost of restoring the property, in addition to attorney's fees and costs.

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

Section 1. NRS 206.330 is hereby amended to read as follows:

206.330 1. Unless a greater criminal penalty is provided by a specific statute, a person who places graffiti on or otherwise defaces the public or private property, real or personal, of another, without the permission of the owner:

(a) Where the value of the loss is less than \$250, is guilty of a misdemeanor.

(b) Where the value of the loss is \$250 or more but less than \$5,000, is guilty of a gross misdemeanor.

(c) Where the value of the loss is \$5,000 or more or where the damage results in the impairment of public communication, transportation or police and fire protection, is guilty of a category E felony and shall be punished as provided in NRS 193.130. If the court grants probation to such a person, the court shall require as a condition of probation that the person serve at least 10 days in the county jail.

(d) Where the offense is committed on any protected site in this State, is guilty of a category C felony and shall be punished as provided in NRS 193.130. If the court grants probation to such a person, the court shall require as a condition of probation that the person serve at least 10 days in the county jail.

2. If a person commits more than one offense pursuant to a scheme or continuing course of conduct, the value of all property damaged or destroyed by that person in the commission of those offenses must be aggregated for the purpose of determining the penalty prescribed in subsection 1, but only if the value of the loss when aggregated is ~~[\$5,000]~~ **\$500** or more.

3. A person who violates subsection 1 shall, in addition to any other fine or penalty imposed:

(a) For the first offense, pay a fine of not less than \$400 but not more than \$1,000 and perform 100 hours of community service.

(b) For the second offense, pay a fine of not less than \$750 but not more than \$1,000 and perform 200 hours of community service.

(c) For the third and each subsequent offense ~~[, pay]~~ :

(1) ~~Pay a fine of \$1,000 ; and [perform 200 hours of]~~

(2) **Perform up to 300 hours of community service [-] for up to 1 year, as determined by the court. The court may order the person to repair, replace, clean up or keep free of graffiti the property damaged or destroyed by the person or, if it is not practicable for the person to repair, replace, clean up or keep free of graffiti that specific property, the court may order the person to repair, replace, clean up or keep free of graffiti another specified property.**

↪ The community service assigned pursuant to this subsection must, if possible, be related to the abatement of graffiti.

4. *The court may, in addition to any other fine or penalty imposed, order a person who violates subsection 1 to pay restitution.*

5. The parent or legal guardian of a person under ~~the age of~~ 18 years of *age* who violates this section is liable for all fines and penalties imposed against the person. If the parent or legal guardian is unable to pay the fine and penalties resulting from a violation of this section because of financial hardship, the court may require the parent or legal guardian to perform community service.

~~{5-}~~ 6. If a person who is 18 years of age or older is found guilty of violating this section, the court shall, in addition to any other penalty imposed, issue an order suspending the driver's license of the person for not less than 6 months but not more than 2 years. The court shall require the person to surrender all driver's licenses then held by the person. If the person does not possess a driver's license, the court shall issue an order prohibiting the person from applying for a driver's license for not less than 6 months but not more than 2 years. The court shall, within 5 days after issuing the order, forward to the Department of Motor Vehicles any licenses together with a copy of the order.

~~{6-}~~ 7. The Department of Motor Vehicles:

(a) Shall not treat a violation of this section in the manner statutorily required for a moving traffic violation.

(b) Shall report the suspension of a driver's license pursuant to this section to an insurance company or its agent inquiring about the person's driving record. An insurance company shall not use any information obtained pursuant to this paragraph for purposes related to establishing premium rates or determining whether to underwrite the insurance.

~~{7-}~~ 8. A criminal penalty imposed pursuant to this section is in addition to any civil penalty or other remedy available pursuant to *this section or* another statute for the same conduct.

~~{8-}~~ 9. As used in this section:

(a) ~~“Historic site” means a site, landmark or monument of historical significance pertaining to the history of the settlement of Nevada, or Indian campgrounds, shelters, petroglyphs, pictographs and burials.~~

~~(b)~~ “Impairment” means the disruption of ordinary and incidental services, the temporary loss of use or the removal of the property from service for repair of damage.

(b) “*Protected site*” means:

(1) *A site, landmark, monument, building or structure of historical significance pertaining to the history of the settlement of Nevada;*

(2) *Any Indian campgrounds, shelters, petroglyphs, pictographs and burials; or*

(3) *Any archeological or paleontological site, ruin, deposit, fossilized footprints and other impressions, petroglyphs and pictographs, habitation caves, rock shelters, natural caves, burial ground or sites of religious or cultural importance to an Indian tribe.*

(c) “Value of the loss” means the cost of repairing, restoring or replacing the property, including, without limitation, the cost of any materials and labor necessary to repair, restore or replace the item.

Sec. 2. NRS 206.345 is hereby amended to read as follows:

206.345 **1.** *A court may, in addition to any other fine or penalty imposed, order a person who places graffiti on or otherwise defaces public or private property in violation of NRS 206.125 or 206.330 to participate in counseling, and if the person is less than 18 years of age, order the parent or legal guardian of the person to attend or participate in counseling pursuant to NRS 62E.290.*

2. If a court orders a person who violates the provisions of NRS 206.125 or 206.330 to pay restitution, the person shall pay the restitution to:

~~1-~~ (a) The owner of the property which was affected by the violation; or

~~2-~~ (b) If the violation involved the placing of graffiti on any public property, the governmental entity that incurred expenses for removing, covering or cleaning up the graffiti.

3. *The owner of public or private property that has been damaged by graffiti may bring a civil action against the person who placed the graffiti on such property. The court may award to the property owner damages in an amount up to three times the amount of any loss in value to the property and up to three times the cost of restoring the property plus attorney’s fees and costs, which may be recovered from the offender or, if the offender is less than 18 years of age, from the parent or legal guardian of the offender.*

Sec. 3. NRS 381.225 is hereby amended to read as follows:

381.225 **1.** It is unlawful for any person to commit vandalism upon any historic or prehistoric sites, natural monuments, speleological sites and objects of antiquity, or to write or paint or carve initials or words, or in any other way deface, any of those objects, Indian paintings or historic buildings.

2. Unless a greater penalty is provided in NRS 206.125 ~~1-~~ **or 206.330**, a person violating the provisions of subsection 1 is guilty of a public offense proportionate to the value of the property damaged or destroyed as set forth in NRS 193.155.

Assemblyman Ohrenschaal moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Senate Bill No. 282.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 548.

SUMMARY—Prohibits the **willful and** intentional public posting or displaying of the social security number of another person. (BDR 15-792)

AN ACT relating to crimes; prohibiting the **willful and** intentional public posting or displaying of the social security number of another person; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill **generally** prohibits a person from **willfully and** intentionally posting or displaying in any public manner the social security number of another person unless the person is authorized or required to do so by specific federal or state law or regulation. Unless a greater penalty is provided by specific statute, a person who violates this provision is guilty of a misdemeanor, which is punishable by imprisonment in the county jail for not more than 6 months or by a fine of not more than \$1,000, or both. This bill also authorizes a person whose social security number has been unlawfully posted or displayed to bring a civil cause of action against the person who posted or displayed his or her social security number and to recover actual damages, reasonable attorney's fees and costs from that person.

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

Section 1. Chapter 205 of NRS is hereby amended by adding thereto a new section to read as follows:

1. ~~1A~~ Except as otherwise provided in this section, a person shall not willfully and intentionally post or display in any public manner the social security number of another person unless the person is authorized or required to do so by specific federal or state law or regulation.

2. This section does not:

(a) Prevent the use of a social security number for internal verification or administrative purposes.

(b) Apply to documents that are recorded or required to be open to the public pursuant to federal or state law or regulation.

3. Unless a greater penalty is provided by specific statute, a person who violates ~~subsection 1~~ this section is guilty of a misdemeanor.

~~3~~ 4. A person whose social security number has been willfully and intentionally posted or displayed in violation of this section may bring a civil cause of action against the person who commits such a violation. The court may award actual damages, reasonable attorney's fees and costs to the person whose social security number has been willfully and intentionally posted or displayed in violation of this section.

~~4~~ 5. As used in this section ~~the~~ "person":

(a) "Person" includes a government, governmental agency or political subdivision of a government.

(b) "Post or display in any public manner" means to communicate or otherwise make available to the general public. The term includes, without limitation:

(1) Printing the social security number of another person on any card required for the other person to access products or services provided by the person or entity printing the social security number.

(2) Requiring another person to transmit his or her social security number over the Internet, unless the connection is secure or the social security number is encrypted.

(3) Requiring another person to use his or her social security number to access an Internet website, unless a password or unique personal identification number or other authentication device is also required to access the Internet website.

(4) Printing the social security number of another person on any material that is mailed to the person, if the social security number is visible to the public.

Assemblyman Ohrenschall moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, engrossed, and to third reading.

Senate Bill No. 402.

Bill read second time.

The following amendment was proposed by the Committee on Judiciary:

Amendment No. 740.

AN ACT relating to real property; revising provisions relating to covenants that may be adopted by reference in a deed of trust; providing methods by which assumption fees for a change of parties in a deed of trust may be set; requiring a foreclosure sale of commercial property to be held in a **public** location specified in certain recorded documents; ~~limiting the amount of certain secured interests in foreclosure sales and deficiency judgments;~~ revising provisions relating to accounting for impound accounts for the payment of certain obligations relating to certain real property; providing a civil penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1 and 2 of this bill amend a statutory covenant that may be adopted by reference in a deed of trust to allow the parties thereto the alternatives of paying, in connection with a trustee's sale, either reasonable counsel fees and actual costs incurred or counsel fees in an amount equal to a specified percentage of the property secured by the deed of trust.

Section 3 of this bill sets forth certain methods of specifying assumption fees for a change in parties in a deed of trust.

Section 4 of this bill requires a foreclosure sale of commercial property to be conducted at the **public** location specified in the notice of sale recorded by the trustee of a trust deed or transfer in trust.

~~Section 4.5 of this bill revises provisions limiting the amount of certain secured interests included in the term "indebtedness" for the purpose of foreclosure sales and deficiency judgments.]~~

Sections 5 and 6 of this bill revise provisions relating to accountings for impound accounts for the payment of certain obligations relating to certain real property.

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

Section 1. NRS 107.030 is hereby amended to read as follows:

107.030 Every deed of trust made after March 29, 1927, may adopt by reference all or any of the following covenants, agreements, obligations, rights and remedies:

1. COVENANT NO. 1. That grantor agrees to pay and discharge at maturity all taxes and assessments and all other charges and encumbrances which now are or shall hereafter be, or appear to be, a lien upon the trust premises, or any part thereof; and that grantor will pay all interest or installments due on any prior encumbrance, and that in default thereof, beneficiary may, without demand or notice, pay the same, and beneficiary shall be sole judge of the legality or validity of such taxes, assessments, charges or encumbrances, and the amount necessary to be paid in satisfaction or discharge thereof.

2. COVENANT NO. 2. That the grantor will at all times keep the buildings and improvements which are now or shall hereafter be erected upon the premises insured against loss or damage by fire, to the amount of at least \$....., by some insurance company or companies approved by beneficiary, the policies for which insurance shall be made payable, in case of loss, to beneficiary, and shall be delivered to and held by the beneficiary as further security; and that in default thereof, beneficiary may procure such insurance, not exceeding the amount aforesaid, to be effected either upon the interest of trustee or upon the interest of grantor, or his or her assigns, and in their names, loss, if any, being made payable to beneficiary, and may pay and expend for premiums for such insurance such sums of money as the beneficiary may deem necessary.

3. COVENANT NO. 3. That if, during the existence of the trust, there be commenced or pending any suit or action affecting the conveyed premises, or any part thereof, or the title thereto, or if any adverse claim for or against the premises, or any part thereof, be made or asserted, the trustee or beneficiary may appear or intervene in the suit or action and retain counsel therein and defend same, or otherwise take such action therein as they may be advised, and may settle or compromise same or the adverse claim; and in that behalf and for any of the purposes may pay and expend such sums of money as the trustee or beneficiary may deem to be necessary.

4. COVENANT NO. 4. That the grantor will pay to trustee and to beneficiary respectively, on demand, the amounts of all sums of money which they shall respectively pay or expend pursuant to the provisions of the implied covenants of this section, or any of them, together with interest upon each of the amounts, until paid, from the time of payment thereof, at the rate of percent per annum.

5. COVENANT NO. 5. That in case grantor shall well and truly perform the obligation or pay or cause to be paid at maturity the debt or promissory note, and all moneys agreed to be paid, and interest thereon for the security of

which the transfer is made, and also the reasonable expenses of the trust in this section specified, then the trustee, its successors or assigns, shall reconvey to the grantor all the estate in the premises conveyed to the trustee by the grantor. Any part of the trust property may be reconveyed at the request of the beneficiary.

6. COVENANT NO. 6. That if default be made in the performance of the obligation, or in the payment of the debt, or interest thereon, or any part thereof, or in the payment of any of the other moneys agreed to be paid, or of any interest thereon, or if any of the conditions or covenants in this section adopted by reference be violated, and if the notice of breach and election to sell, required by this chapter, be first recorded, then trustee, its successors or assigns, on demand by beneficiary, or assigns, shall sell the above-granted premises, or such part thereof as in its discretion it shall find necessary to sell, in order to accomplish the objects of these trusts, in the manner following, namely:

The trustees shall first give notice of the time and place of such sale, in the manner provided in NRS 107.080 and may postpone such sale not more than three times by proclamation made to the persons assembled at the time and place previously appointed and advertised for such sale, and on the day of sale so advertised, or to which such sale may have been postponed, the trustee may sell the property so advertised, or any portion thereof, at public auction, at the time and place specified in the notice, at a public location in the county in which the property, or any part thereof, to be sold, is situated, to the highest cash bidder. The beneficiary, obligee, creditor, or the holder or holders of the promissory note or notes secured thereby may bid and purchase at such sale. The beneficiary may, after recording the notice of breach and election, waive or withdraw the same or any proceedings thereunder, and shall thereupon be restored to the beneficiary's former position and have and enjoy the same rights as though such notice had not been recorded.

7. COVENANT NO. 7. That the trustee, upon such sale, shall make (without warranty), execute and, after due payment made, deliver to purchaser or purchasers, his, her or their heirs or assigns, a deed or deeds of the premises so sold which shall convey to the purchaser all the title of the grantor in the trust premises, and shall apply the proceeds of the sale thereof in payment, firstly, of the expenses of such sale, together with the reasonable expenses of the trust, including counsel fees, in an amount equal to percent of the amount secured thereby and remaining unpaid ~~to~~ **or reasonable counsel fees and costs actually incurred**, which shall become due upon any default made by grantor in any of the payments aforesaid; and also such sums, if any, as trustee or beneficiary shall have paid, for procuring a search of the title to the premises, or any part thereof, subsequent to the execution of the deed of trust; and in payment, secondly, of the obligation or debts secured, and interest thereon then remaining unpaid, and the amount of all other moneys with interest thereon herein agreed or provided to be paid

by grantor; and the balance or surplus of such proceeds of sale it shall pay to grantor, his or her heirs, executors, administrators or assigns.

8. COVENANT NO. 8. That in the event of a sale of the premises conveyed or transferred in trust, or any part thereof, and the execution of a deed or deeds therefor under such trust, the recital therein of default, and of recording notice of breach and election of sale, and of the elapsing of the 3-month period, and of the giving of notice of sale, and of a demand by beneficiary, his or her heirs or assigns, that such sale should be made, shall be conclusive proof of such default, recording, election, elapsing of time, and of the due giving of such notice, and that the sale was regularly and validly made on due and proper demand by beneficiary, his or her heirs and assigns; and any such deed or deeds with such recitals therein shall be effectual and conclusive against grantor, his or her heirs and assigns, and all other persons; and the receipt for the purchase money recited or contained in any deed executed to the purchaser as aforesaid shall be sufficient discharge to such purchaser from all obligation to see to the proper application of the purchase money, according to the trusts aforesaid.

9. COVENANT NO. 9. That the beneficiary or his or her assigns may, from time to time, appoint another trustee, or trustees, to execute the trust created by the deed of trust or other conveyance in trust. A copy of a resolution of the board of directors of beneficiary (if beneficiary be a corporation), certified by the secretary thereof, under its corporate seal, or an instrument executed and acknowledged by the beneficiary (if the beneficiary be a natural person), shall be conclusive proof of the proper appointment of such substituted trustee. Upon the recording of such certified copy or executed and acknowledged instrument, the new trustee or trustees shall be vested with all the title, interest, powers, duties and trusts in the premises vested in or conferred upon the original trustee. If there be more than one trustee, either may act alone and execute the trusts upon the request of the beneficiary, and all of the trustee's acts thereunder shall be deemed to be the acts of all trustees, and the recital in any conveyance executed by such sole trustee of such request shall be conclusive evidence thereof, and of the authority of such sole trustee to act.

Sec. 2. NRS 107.040 is hereby amended to read as follows:

107.040 1. In order to adopt by reference any of the covenants, agreements, obligations, rights and remedies in NRS 107.030, it shall only be necessary to state in the deed of trust the following: "The following covenants, Nos., and (inserting the respective numbers) of NRS 107.030 are hereby adopted and made a part of this deed of trust."

2. A deed of trust or other conveyance in trust, in order to fix the amount of insurance to be carried, need not reincorporate the provisions of Covenant No. 2 of NRS 107.030, but may merely state the following: "Covenant No. 2," and set out thereafter the amount of insurance to be carried.

3. In order to fix the rate of interest under Covenant No. 4 of NRS 107.030, it shall only be necessary to state in such trust deed or other conveyance in trust, "Covenant No. 4," and set out thereafter the rate of interest to be charged thereunder.

4. In order to fix the amount or percent of counsel fees under Covenant No. 7 of NRS 107.030, it shall only be necessary to state in such deed of trust, or other conveyance in trust, the following: "Covenant No. 7," and set out thereafter *either* the percentage to be allowed ~~±~~ *or, in lieu of the percentage to be allowed, reasonable counsel fees and costs actually incurred.*

Sec. 3. NRS 107.055 is hereby amended to read as follows:

107.055 If a party to a deed of trust, executed after July 1, 1971, desires to charge an assumption fee for a change in parties, the amount of such charge must be clearly set forth in the deed of trust at the time of execution. *Without limiting or prohibiting any other method by which the amount of the charge may be clearly set forth in the deed of trust, the charge may be set forth as:*

1. *A fixed sum;*
2. *A percentage of the amount secured by the deed of trust and remaining unpaid at the time of assumption; or*
3. *The lesser of, the greater of or some combination of the amounts determined by subsections 1 and 2.*

Sec. 4. NRS 107.081 is hereby amended to read as follows:

107.081 1. All sales of property pursuant to NRS 107.080 must be made at auction to the highest bidder and must be made between the hours of 9 a.m. and 5 p.m. The agent holding the sale must not become a purchaser at the sale or be interested in any purchase at such a sale.

2. All sales of real property must be made:

(a) *For a residential foreclosure or foreclosure of a residential unit:*

(1) In a county with a population of less than 100,000, at the courthouse in the county in which the property or some part thereof is situated.

~~(b)~~ (2) In a county with a population of 100,000 or more, at the public location in the county designated by the governing body of the county for that purpose.

(b) *For a foreclosure of commercial property, at a public location in the county in which the property or some part thereof is situated as specified in the notice of sale recorded by the trustee of the trust deed or transfer in trust.*

3. *For the purposes of this section:*

(a) *"Commercial property" has the meaning ascribed to it in NRS 645E.040.*

(b) *"Residential foreclosure" has the meaning ascribed to it in NRS 107.080.*

(c) *“Residential unit” means a unit in a common-interest community that is used exclusively for residential use, as those terms are defined in chapter 116 of NRS.*

Sec. 4.5. ~~NRS 40.451 is hereby amended to read as follows:~~

~~40.451 As used in NRS 40.451 to 40.463, inclusive, “indebtedness” means the principal balance of the obligation secured by a mortgage or other lien on real property, together with [all];~~

~~1. All interest accrued and unpaid prior to the time of foreclosure sale [; all];~~

~~2. All costs and fees of such a sale [; all];~~

~~3. All advances made with respect to the property by the beneficiary [;] and [all]~~

~~4. All other amounts secured by the mortgage or other lien on the real property in favor of the person seeking the deficiency judgment. Such [amount constituting a lien is] other amounts are limited to the amount [of the consideration] paid by the lienholder [.] or the predecessor of the lienholder.] (Deleted by amendment.)~~

Sec. 5. NRS 100.091 is hereby amended to read as follows:

100.091 1. For each loan requiring the deposit of money to an escrow account, loan trust account or other impound account for the payment of taxes, assessments, rental or leasehold payments, ~~[or fire, hazard or other]~~ insurance premiums ~~[;]~~ or other obligations related to the encumbered property, the lender shall ~~[; at]~~ :

(a) *Require contributions in an amount reasonably necessary to pay the obligations as they become due.*

(b) *Unless money in the account is insufficient, pay in a timely manner the obligations as they become due.*

(c) *At least annually, analyze the account. The analysis of each account must be performed to determine whether sufficient money is contributed to the account on a monthly basis to pay for the projected disbursements from the account. At least 30 days before the effective date of any increased contribution to the account based on the analysis, a statement must be sent to the borrower showing the method of determining the amount of money held in the account, the amount of projected disbursements from the account and the amount of the reserves which may be held in accordance with federal guidelines.*

2. If, upon completion of the analysis, it is determined that an account is not sufficiently funded to pay from the normal payment the items when due on the account, the lender shall offer the borrower the opportunity to correct the deficiency by making one lump-sum payment or by making increased monthly contributions, in an amount required by the lender. The lender shall not declare a default on the account solely because the borrower is unable to pay the amount of the deficiency in one lump sum.

3. *Except for payments made by a borrower for a lender to recover previous deficiencies in contributions to the account pursuant to subsection*

2, the borrower is entitled pursuant to subsection 4 to the amount by which the borrower's contributions to the account exceed the amount reasonably necessary to pay the annual obligations due from the account, together with interest thereon at the rate established pursuant to NRS 99.040.

4. If, upon completion of the analysis, it is determined that the amount of money held by the lender in the account, together with anticipated future monthly contributions to the account to be credited to the account before the dates items are due on the account, exceed the amount of money required to pay the items when due, the lender shall, ~~at the option of~~ not later than 30 days after completion of its annual review of the account, notify the borrower:

(a) Of the amount by which the contributions and interest earned pursuant to subsection 3 exceed the amount reasonably necessary to pay the annual obligations due from the account; and

(b) That the borrower ~~either repay~~ may, not later than 20 days after receipt of the notice, specify that the lender:

(1) Repay the excess money and interest promptly to the borrower ~~if applicable~~;

(2) Apply the excess money and interest to the outstanding principal balance; or ~~retain~~

(3) Retain the excess money and interest in the account.

5. If the borrower fails to specify the disposition of the excess money and interest as provided in paragraph (b) of subsection 4, the lender shall maintain the excess money and interest in the account.

6. If any payment on the loan is delinquent at the time of the analysis, the lender shall retain any excess money and interest in the account and apply the excess money and interest in the account toward payment of the delinquency.

~~4.~~ **7. A lender who violates any provision of subsections 4, 5 and 6 is liable to the borrower for a civil penalty of not more than \$1,000.**

8. The provisions of this section apply exclusively to:

(a) A loan secured by a single family residence, as that term is defined in NRS 107.080; and

(b) A unit in a common-interest community that is used exclusively for residential use, as those terms are defined in chapter 116 of NRS.

9. As used in this section:

(a) "Borrower" means any person who receives a loan secured by real property and who is required to make advance contributions for the payment of taxes, insurance premiums or other expenses related to the property.

(b) "Lender" means any person who makes loans secured by real property and who requires advance contributions for the payment of taxes, insurance premiums or other expenses related to the property.

Sec. 6. NRS 106.105 is hereby repealed.

TEXT OF REPEALED SECTION

106.105 Contributions; payment of obligations; notice regarding and disposition of excess money; civil penalty.

1. Except as otherwise provided in subsection 2, a lender who requires a borrower to make advance contributions to an impound trust account, or an account of similar name, for the payment of taxes, insurance premiums or other obligations related to the encumbered property shall:

(a) Require contributions in an amount reasonably necessary to pay the obligations as they become due.

(b) Unless money in the account is insufficient, pay in a timely manner the obligations as they become due.

(c) Within 30 days after the completion of its annual review of the account, notify the borrower:

(1) Of the amount by which the contributions exceed the amount reasonably necessary to pay the annual obligations due from the account; and

(2) That the borrower may specify the disposition of the excess money within 20 days after receipt of the notice. If the borrower fails to specify such a disposition within that time, the lender shall maintain the excess money in the account.

↪ A lender who violates any provision of this subsection is liable to the borrower for a civil penalty of not more than \$1,000.

2. A lender, to recover previous deficiencies in contributions to an impound trust account, may require contributions to the account in an amount greater than that reasonably necessary to pay the obligations as they become due. The borrower is otherwise entitled to the amount by which the borrower's contributions to the account exceed the amount reasonably necessary to pay the annual obligations due from the account, together with interest thereon at the rate established pursuant to NRS 99.040.

3. As used in this section:

(a) "Borrower" means a mortgagor, grantor of a deed of trust or other obligor on a loan secured by a lien upon real property.

(b) "Lender" means a mortgagee, beneficiary of a deed of trust or other obligee on a loan secured by a lien upon real property, and his or her successor in interest.

Assemblyman Ohrenschaal moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Bill No. 314 be taken from the General File and rereferred to the Committee on Ways and Means.

Motion carried.

Assemblyman Conklin moved that Assembly Bill No. 525 be taken from the Chief Clerk's desk and placed at the top of the General File.

Motion carried.

Assemblyman Conklin moved that Assembly Bill No. 37, 97, 128, 152, 182, 184, 190, 201, 210, 221, 226, 234, 237, 246, 273, 277, 300, 317, 323, 339, 358, 420, 444, 450, 481; Senate Joint Resolution No. 3 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

Assemblywoman Dondero Loop moved that Senate Bill No. 238 be taken from the General File and placed on the Chief Clerk's desk.

Motion carried.

Assemblyman Atkinson moved that Senate Bill No. 136 be taken from the General File placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 136.

Bill read third time.

The following amendment was proposed by Assemblymen Conklin and Bustamante Adams:

Amendment No. 811.

AN ACT relating to financial institutions; revising provisions governing the period that a bank may hold certain real property; removing provisions requiring a bank annually to charge off a certain percentage of the value of certain real property held by the bank and acquired as a result of a debt owed to the bank; revising provisions governing the review of certain applications for licensure by the Commissioner of Financial Institutions; revising provisions relating to the control of a retail trust company; revising provisions governing the assets which certain trust companies are required to maintain; revising provisions governing applications for a license to operate a retail trust company; authorizing certain persons to appeal certain decisions of the Commissioner; **requiring the State Controller to develop and operate with financial institutions a data-match system for the collection of certain debts owed to the State**; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes a bank to hold real property that the bank acquires through the collection of debts owed to it for up to 10 years, and **section 1** of this bill reduces that period to 5 years, except that a bank may request an extension of that period from the Commissioner of Financial Institutions of not more than 5 years. Existing law also requires a bank to charge off the real property on a schedule of not less than 10 percent per year, or at a greater percentage if so required by the Commissioner. (NRS 662.015) **Section 1**

removes the requirement that a bank annually charge off a certain percentage of the value of such real property.

Existing law charges the Commissioner with certain duties and responsibilities related to retail trust companies, including investigating companies that apply for licensure as a retail trust company, issuing licenses to qualified companies to operate as a retail trust company and removing from office an officer, director, manager or employee of a retail trust company for certain conduct. (NRS 657.180, 669.085, 669.090, 669.130, 669.150, 669.160, 669.281) **Section 3** of this bill requires the Commissioner to consider certain criteria related to the potential long-term success of a trust company before approving the company's application for licensure to operate as a retail trust company. **Section 4** of this bill requires a person who intends to obtain control of a retail trust company to submit an application for licensure to the Commissioner. **Section 7** of this bill requires the Commissioner to provide to an applicant for licensure as a retail trust company written notice of any grounds for denial of an application and authorizes the applicant to cure any defect or deficiency in the application and resubmit the application within a certain period. **Section 8** of this bill provides that a person who is removed from office by the Commissioner may appeal his or her removal from office within a certain period.

Existing law requires a retail trust company to maintain at least 50 percent of its required stockholders' equity in cash, unless the Commissioner approves a different amount, with the remaining amount to be held in the form of readily marketable securities or certain other assets that may be approved by the Commissioner. Existing law also requires a noncustodial trust company to maintain 50 percent of its required minimum capital in cash. (NRS 669.100) **Section 6** of this bill requires a retail trust company to maintain a certain amount of its required stockholders' equity in the form of cash or certain cash equivalents and authorizes a retail trust company to hold the remaining amount of the required stockholders' equity in the form of readily marketable securities or certain other assets upon the approval of the Commissioner. **Section 6** further requires that bonds or other evidence of indebtedness held by a retail trust company as part of its required stockholders' equity meet certain investment standards. **Section 6** also requires a noncustodial trust company to maintain 25 percent of its required minimum capital in the form of cash.

Section 10 of this bill requires the State Controller to develop and operate a system for matching data to collect outstanding debts owed to the State. Financial institutions in this State must provide to the State Controller information on persons who maintain accounts at the financial institution and are identified by the State Controller as owing outstanding debts to the State. Financial institutions are then required to encumber assets held in the financial institution by the debtors to pay their debts.

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

Section 1. NRS 662.015 is hereby amended to read as follows:

662.015 1. In addition to the powers conferred by law upon private corporations and limited-liability companies, a bank may:

(a) Exercise by its board of directors, managers or authorized officers and agents, subject to law, all powers necessary to carry on the business of banking by:

(1) Discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of indebtedness;

(2) Receiving deposits;

(3) Buying and selling exchange, coin and bullion; and

(4) Loaning money on personal security or real and personal property.

↪ At the time of making loans, banks may take and receive interest or discounts in advance.

(b) Adopt regulations for its own government not inconsistent with the Constitution and laws of this State.

(c) Issue, advise and confirm letters of credit authorizing the beneficiaries to draw upon the bank or its correspondents.

(d) Receive money for transmission.

(e) Establish and become a member of a clearinghouse association and pledge assets required for its qualification.

(f) Exercise any authority and perform all acts that a national bank may exercise or perform, with the consent and written approval of the Commissioner. The Commissioner may, by regulation, waive or modify a requirement of Nevada law if the corresponding requirement for national banks is eliminated or modified.

(g) Provide for the performance of the services of a bank service corporation, such as data processing and bookkeeping, subject to any regulations adopted by the Commissioner.

(h) Unless otherwise specifically prohibited by federal law, sell annuities if licensed by the Commissioner of Insurance.

2. A bank may purchase, hold and convey real property:

(a) As is necessary for the convenient transaction of its business, including furniture and fixtures, with its banking offices and for future site expansion. This investment must not exceed, except as otherwise provided in this section, 60 percent of its stockholders' or members' equity, plus subordinated capital notes and debentures. The Commissioner may authorize any bank located in a city whose population is more than 10,000 to invest more than 60 percent of its stockholders' or members' equity, plus subordinated capital notes and debentures, in its banking offices, furniture and fixtures.

(b) As is mortgaged to it in good faith by way of security for loans made or money due to the bank.

(c) As is permitted by NRS 662.103.

3. This section does not prohibit any bank from holding, developing or disposing of any real property it may acquire through the collection of debts due it. ~~[Any]~~ **Except as otherwise provided in subsection 4**, real property acquired through the collection of debts due it may not be held for longer than ~~[10]~~ 5 years. It must be sold at private or public sale within 30 days thereafter. ~~[During the time that the bank holds the real property, the bank shall charge off the real property on a schedule of not less than 10 percent per year, or at a greater percentage per year as the Commissioner may require.]~~

4. A bank may request and the Commissioner may grant an extension of the period described in subsection 3 of not more than 5 years. The Commissioner shall not grant a bank more than one extension of the period prescribed in subsection 3 for any real property held by the bank.

Sec. 2. NRS 669.083 is hereby amended to read as follows:

669.083 1. A retail trust company licensed in this State shall maintain its principal office in this State.

2. The conditions for a retail trust company to fulfill the requirements of subsection 1 include, but are not limited to:

(a) A verifiable physical office in this State that conducts such business operations in this State as are necessary to administer trusts in this State;

(b) The presence of an employee that is a resident of Nevada in the principal office who has experience that is satisfactory to the Commissioner in accepting and administering trusts;

(c) Maintenance of originals or true copies of all material business records and accounts of the retail trust company which may be accessed and are readily available for examination by the Division of Financial Institutions;

(d) Maintenance of **any cash as a portion of** the required ~~[cash portion of the]~~ stockholders' equity pursuant to NRS 669.100 in accounts with one or more banks or other financial institutions located in this State;

(e) The provision of services to residents of this State consistent with the business plan provided by the trust company with its license application; and

(f) Such other conditions that the Commissioner may **reasonably** require to protect the public interest.

Sec. 3. NRS 669.085 is hereby amended to read as follows:

669.085 1. ~~[The Commissioner may conduct a pre-opening examination of a retail trust company and, in]~~ **In** rendering a decision on an application for a license as a retail trust company, **the Commissioner shall** consider:

(a) The proposed market or markets to be served and, if they extend outside of this State, any exceptional risk, examination or supervision concerns associated with such markets;

(b) Whether the proposed organizational and capital structure and the amount of initial capital appear adequate in relation to the proposed business and market or markets, including, without limitation, the average level of assets under management and administration projected for each of the first 3 years of operation;

~~(c)~~ ~~Whether the anticipated volume and nature of business indicate a reasonable probability of success and profitability based on the market or markets proposed to be served;~~

~~(d)~~ Whether the proposed officers and directors or managers of the proposed retail trust company, as a group, have sufficient experience, ability, standing and competence and whether each individually has sufficient trustworthiness and integrity to justify a belief that the proposed retail trust company will be free from improper or unlawful influence and otherwise will operate in compliance with the law and applicable fiduciary duties and that success of the proposed retail trust company is reasonably probable;

~~(e)~~ *(d)* Whether any investment services to trusts, estates, charities, employee benefit plans and other fiduciary accounts or to natural persons, partnerships, limited-liability companies and other entities, including, without limitation, providing investment advice with or without discretion or selling investments in or investment products of affiliated or nonaffiliated persons, will be conducted in compliance with all applicable fiduciary standards, including, without limitation, NRS 164.700 to 164.775, inclusive, the duty of loyalty and disclosure of material information;

~~(f)~~ *(e)* Whether the proposed retail trust company will be exempt from registration under the Investment Advisers Act of 1940, 15 U.S.C. § 80b-1 et seq., and any similar state laws in each state where it would otherwise be required to register and, if not, whether it will comply with such registration requirements before commencing business and thereafter will comply with all federal and state laws and regulations applicable to it, its employees and representatives as a registrant under such laws;

~~(g)~~ *(f)* Whether the proposed retail trust company will obtain suitable annual audits by qualified outside auditors of its books and records and its fiduciary activities under applicable account rules and standards as well as suitable internal audits; and

~~(h)~~ *(g)* Any other factors that the Commissioner may *reasonably* require.

2. The Commissioner may require a retail trust company to maintain capital in excess of the minimum required either initially or at any subsequent time based on the Commissioner's assessment of the risks associated with the retail trust company's business plan or any other circumstances revealed in the application, the Commissioner's investigation of the application or any examination of or filing by the retail trust company thereafter, including any examination before the opening of the retail trust company for business. In making such a determination, the Commissioner may consider:

(a) The nature and type of business proposed to be conducted by the retail trust company;

(b) The nature and liquidity of assets proposed to be held in its own account;

- (c) The amount of fiduciary assets projected to be under management or under administration of the retail trust company;
- (d) The type of fiduciary assets proposed to be held and any proposed depository of such assets;
- (e) The complexity of fiduciary duties and degree of discretion proposed to be undertaken by the retail trust company;
- (f) The competence and experience of proposed management of the retail trust company;
- (g) The extent and adequacy of proposed internal controls;
- (h) The proposed presence or absence of annual audits by an independent certified public accountant, and the scope and frequency of such audits, whether they result in an opinion of the accountant and any qualifications to the opinion;
- (i) The reasonableness of business plans for retaining or acquiring additional equity capital;
- (j) The existence and adequacy of insurance proposed to be obtained by the retail trust company for the purpose of protecting its fiduciary assets;
- (k) The success of the retail trust company in achieving the financial projections submitted with its licensing application;
- (l) The fulfillment by the retail trust company of its representations and its descriptions of its business structures and methods and management set forth in its licensing application; and
- (m) Any other factor that the Commissioner may require.

Sec. 4. NRS 669.087 is hereby amended to read as follows:

669.087 1. A license issued pursuant to this chapter is not transferable or assignable [~~Upon~~], **but upon** approval of the Commissioner, a licensee may merge or consolidate with, or transfer its assets and control to, another entity that has been issued a license under this chapter. In making a determination regarding whether to grant such approval, the Commissioner may consider the factors set forth in paragraphs (a) to (m), inclusive, of subsection 2 of NRS 669.085.

2. If there is a change in control of any retail trust company, the chief executive officer or managing member of the retail trust company shall report the fact and the person obtaining control to the Commissioner within 5 business days after obtaining knowledge of the change.

3. A retail trust company shall, within 5 business days after there is a change in the chief executive officer, managing member or a majority of the directors or managing directors of the retail trust company, report the change to the Commissioner. The retail trust company shall include in its report a statement of the past and current business and professional affiliations of each new chief executive officer, managing member, director or managing director. A new chief executive officer, managing member, director or managing director shall furnish to the Commissioner a complete financial statement on a form prescribed by the Commissioner.

4. A person who ~~acquires~~ **intends to acquire** control ~~as a result of a change of control~~ of a retail trust company shall submit an application to the Commissioner. The application must be submitted on a form prescribed by the Commissioner. The Commissioner shall conduct an investigation **pursuant to NRS 669.160** to determine whether the person has a good reputation for honesty, trustworthiness and integrity and is competent to ~~transact the business of a~~ **control the** trust company in a manner which protects the interests of the general public.

5. The retail trust company with which the applicant described in subsection 4 is affiliated shall pay the nonrefundable cost of the investigation as the Commissioner requires. If the Commissioner denies the application, the Commissioner may forbid or limit the applicant's participation in the business of the trust company.

6. As used in this section, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policy of a retail trust company, or a change in the ownership of at least 25 percent of the outstanding voting stock of, or participating members' interest in, a retail trust company.

Sec. 5. NRS 669.092 is hereby amended to read as follows:

669.092 1. It is unlawful for any retail trust company licensed in this State to engage in trust company business at any office outside this State without the prior approval of the Commissioner.

2. Before the Commissioner will approve a branch to be located in another state, the retail trust company must:

(a) Obtain from that state a license as a trust company; or

(b) ~~Meet~~ **Provide proof satisfactory to the Commissioner that the retail trust company has met** all the requirements to do business as a trust company at an office in that state ~~and~~, **including, without limitation, written documentation from the appropriate state agency that the retail trust company is authorized to do business in that state.**

Sec. 6. NRS 669.100 is hereby amended to read as follows:

669.100 1. No retail trust company may be organized or operated with a stockholders' equity of less than \$1,000,000, or in such greater amount as may be required by the Commissioner. The full amount of the initial stockholders' equity must be paid in cash, exclusive of all organization expenses, before the trust company is authorized to commence business.

2. A retail trust company shall maintain at least ~~50~~ **25** percent of its required stockholders' equity in cash ~~unless the Commissioner approves a smaller amount.~~ **and at least an additional 25 percent of its required stockholders' equity in cash or cash equivalents comprising certificates of deposit, money market funds or other insured deposits. Cash equivalents held by a retail trust company pursuant to this subsection may, upon prior approval by the Commissioner, comprise investments in treasury bills, government obligations or commercial paper which, if acquired after October 1, 2011, must mature not later than 3 months after the date of**

acquisition by the retail trust company. Any certificate of deposit, money market fund, insured deposit, commercial paper, treasury bill or government obligation, other than an obligation of the United States or an obligation guaranteed by the United States, that is held as a cash equivalent by a retail trust company pursuant to this subsection must not exceed 10 percent of the total required stockholders' equity at the time the cash equivalent is purchased. The remaining ~~50 percent~~ amount of ~~its~~ *the retail trust company's* required stockholders' equity may be a different form of readily marketable securities , or with prior approval by the Commissioner , other liquid, secure asset, bond, surety or insurance, or some combination of the foregoing. *Any bond or other evidence of indebtedness held by a retail trust company pursuant to this subsection must have an investment grade credit rating and must have received a rating within one of the top three rating categories of Moody's Investors Service, Inc. or Standard and Poor's Ratings Services.*

3. Any grandfathered trust company other than a noncustodial trust company that does not have the minimum capital required by this section as of October 1, 2009, shall:

(a) Except as otherwise determined by the Commissioner, increase its capital to a minimum of:

- (1) By October 1, 2010, \$500,000;
- (2) By October 1, 2011, \$750,000; and
- (3) By October 1, 2012, \$1,000,000; and

(b) Maintain ~~500,000~~ **25 percent** of such minimum capital in cash on and after October 1, 2010.

4. Any noncustodial trust company that does not have the minimum capital required by this section as of October 1, 2009, shall:

(a) Except as otherwise determined by the Commissioner, increase its capital to a minimum of:

- (1) By October 1, 2010, \$350,000;
- (2) By October 1, 2011, \$400,000; and
- (3) By October 1, 2012, \$500,000; and

(b) Maintain ~~50~~ **25 percent** of such minimum capital in cash on and after October 1, 2010.

5. As used in this section, "in cash" means in depository accounts with one or more banks in this State.

Sec. 7. NRS 669.160 is hereby amended to read as follows:

669.160 1. Within 90 days after the application for a license is filed, the Commissioner shall investigate the facts of the application and the other requirements of this chapter to determine:

(a) That the persons who will serve as directors or officers of the corporation, or the managers or members acting in a managerial capacity of the limited-liability company, as applicable:

(1) Have a good reputation for honesty, trustworthiness and integrity and display competence to transact the business of a trust company in a

manner which safeguards the interests of the general public. The applicant must submit satisfactory proof of these qualifications to the Commissioner.

(2) Have not been convicted of, or entered a plea of nolo contendere to, a felony or any crime involving fraud, misrepresentation or moral turpitude.

(3) Have not made a false statement of material fact on the application.

(4) Have not been an officer or member of the board of directors for an entity which had a license issued pursuant to the provisions of this chapter that was suspended or revoked within the 10 years immediately preceding the date of the application, and in the reasonable judgment of the Commissioner, there is evidence that the officer or member of the board of directors materially contributed to the actions resulting in the license suspension or revocation.

(5) Have not been an officer or member of the board of directors for a company which had a license as a trust company which was issued in any other state, district or territory of the United States or any foreign country suspended or revoked within the 10 years immediately preceding the date of the application, and in the reasonable judgment of the Commissioner, there is evidence that the officer or member of the board of directors materially contributed to the actions resulting in the license suspension or revocation.

(6) Have not violated any of the provisions of this chapter or any regulation adopted pursuant to the provisions of this chapter.

(b) That the financial status of the directors and officers of the corporation or the managers or members acting in a managerial capacity of the limited-liability company is consistent with their responsibilities and duties.

(c) That the name of the proposed company complies with the provisions of NRS 657.200.

(d) That the initial stockholders' equity is not less than the required minimum.

(e) That the applicant has retained the employee required by paragraph (b) of subsection 2 of NRS 669.083.

2. ~~Notice~~ ***After an investigation by the Commissioner pursuant to subsection 1, if the Commissioner finds any defect or deficiency in an application for licensure which would constitute grounds for denial of the application, written notice of such grounds for denial must be served personally or sent by certified mail to the applicant. The Commissioner shall allow the applicant an opportunity to cure any defect or deficiency in the application and, not later than 30 days after receipt of the notice of denial, to resubmit the application for approval.***

3. ***If a defect or deficiency in an application is not cured pursuant to subsection 2, written notice*** of the entry of an order refusing a license to a trust company must be ~~given in writing,~~ served personally or sent by certified mail to the company affected. The company, upon application, is entitled to a hearing before the Commissioner, but if no such application is made within 30 days after the entry of an order refusing a license to any company, the Commissioner shall enter a final order.

~~{3-}~~ 4. The order of the Commissioner is final for the purposes of judicial review.

Sec. 8. NRS 669.281 is hereby amended to read as follows:

669.281 1. The Commissioner may require the immediate removal from office of any officer, director, manager or employee of any retail trust company doing business under this chapter who is found to be dishonest, incompetent or reckless in the management of the affairs of the retail trust company, or who persistently violates the laws of this State or the lawful orders, instructions and regulations issued by the Commissioner.

2. *An officer, director, manager or employee of a retail trust company who is removed from office pursuant to subsection 1 may appeal his or her removal by filing a written request for a hearing with the Commissioner within 10 days after the effective date of his or her removal. The Commissioner shall conduct the hearing after providing at least 5 days' written notice to the retail trust company and the officer, director, manager or employee who is removed from office. Within 5 days after the hearing, the Commissioner shall enter an order affirming or disaffirming the removal of the person from office. An order of the Commissioner entered pursuant to this subsection is final for the purposes of judicial review.*

Sec. 9. NRS 239A.070 is hereby amended to read as follows:

239A.070 This chapter does not apply to any subpoena issued pursuant to title 14 or chapters 616A to 617, inclusive, of NRS or prohibit:

1. Dissemination of any financial information which is not identified with or identifiable as being derived from the financial records of a particular customer.

2. The Attorney General, State Controller, district attorney, Department of Taxation, Director of the Department of Health and Human Services, Administrator of the Securities Division of the Office of the Secretary of State, public administrator, sheriff or a police department from requesting of a financial institution, and the institution from responding to the request, as to whether a person has an account or accounts with that financial institution and, if so, any identifying numbers of the account or accounts.

3. A financial institution, in its discretion, from initiating contact with and thereafter communicating with and disclosing the financial records of a customer to appropriate governmental agencies concerning a suspected violation of any law.

4. Disclosure of the financial records of a customer incidental to a transaction in the normal course of business of the financial institution if the director, officer, employee or agent of the financial institution who makes or authorizes the disclosure has no reasonable cause to believe that such records will be used by a governmental agency in connection with an investigation of the customer.

5. A financial institution from notifying a customer of the receipt of a subpoena or a search warrant to obtain the customer's financial records, except when ordered by a court to withhold such notification.

6. The examination by or disclosure to any governmental regulatory agency of financial records which relate solely to the exercise of its regulatory function if the agency is specifically authorized by law to examine, audit or require reports of financial records of financial institutions.

7. The disclosure to any governmental agency of any financial information or records whose disclosure to that particular agency is required by the tax laws of this State.

8. The disclosure of any information pursuant to NRS 425.393, 425.400 or 425.460 ~~or~~ or section 10 of this act.

9. A governmental agency from obtaining a credit report or consumer credit report from anyone other than a financial institution.

Sec. 10. Chapter 353C of NRS is hereby amended by adding thereto a new section to read as follows:

1. The State Controller shall enter into agreements with financial institutions doing business in this State to coordinate the development and operation of a system for matching data, using automated exchanges of data to the maximum extent feasible.

2. In addition to any other remedy provided for in this chapter, the State Controller may use the system for matching data developed and operated pursuant to subsection 1 to collect a debt, plus any applicable penalties and interest.

3. A financial institution in this State shall:

(a) Cooperate with the State Controller in carrying out the provisions of subsection 1.

(b) Use the system to provide to the State Controller for each calendar quarter the name, address of record, social security number or other number assigned for taxpayer identification of each person who maintains an account at the financial institution, as identified by the State Controller by name and social security number or other number assigned for taxpayer identification.

(c) In response to the receipt from the State Controller of notification of debt that a person owes the State, encumber all assets of the person held by the financial institution on behalf of the State Controller and surrender those assets to the State Controller. A financial institution is not required to encumber or surrender any assets received by the financial institution on behalf of the person after the financial institution received the notice of the debt from the State Controller.

4. A financial institution may not be held liable in any civil or criminal action for:

(a) Any disclosure of information to the State Controller pursuant to this section.

(b) Encumbering or surrendering any assets held by the financial institution pursuant to this section.

(c) Any other action taken in good faith to comply with the requirements of this section.

5. If a court issues an order to return to a person any assets surrendered by a financial institution pursuant to subsection 3, the State Controller is not liable to the person for any of those assets that have been provided to the State Controller in accordance with the order for the payment of a debt.

6. All information provided to the State Controller by a financial institution pursuant to this section is confidential and may only be used by the State Controller for use in the collection of a debt owed to the State.

7. As used in this section, "financial institution" has the meaning ascribed to it in NRS 239A.030.

~~{Sec. 9.}~~ *Sec. 11.* This act becomes effective upon passage and approval.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assembly Bill No. 525.

Bill read third time.

The following amendment was proposed by Assemblywoman Smith:

Amendment No. 807.

AN ACT relating to wildlife; requiring the Department of Wildlife to establish the Wildlife Trust Fund; authorizing the Department to accept any gift, donation, bequest or devise from any private source for the Wildlife Trust Fund; requiring the Director to report income and expenditures from the Wildlife Trust Fund to the Chief of the Budget Division of the Department of Administration and the Interim Finance Committee; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill requires the Department of Wildlife to establish the Wildlife Trust Fund for the purposes of receiving any gift, donation, bequest or devise from any private source for the Wildlife Trust Fund. The money in the Wildlife Trust Fund must be used either for the specified purpose of the donor who donated the money or, if the donor specified no purpose, then in the sound discretion of the Director of the Department. This bill further establishes that the money in the Wildlife Trust Fund is private money and exempts the **expenditure of** money in the Wildlife Trust Fund from the ~~statutory requirements relating to the expenditure of public money.~~ **provisions of the State Purchasing Act.** Finally, this bill requires the Director to report the income and expenditures of the Wildlife Trust Fund to the Chief of the Budget Division of the Department of Administration and to the Interim Finance Committee.

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

Section 1. Chapter 501 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *The Department shall establish the Wildlife Trust Fund. The Department may accept any gift, donation, bequest or devise from any private source for deposit in the Wildlife Trust Fund. Any money received is private money and not state money. All money must be accounted for in the Wildlife Trust Fund.*

2. *All of the money in the Wildlife Trust Fund must be deposited in a financial institution to draw interest or to be expended, invested and reinvested pursuant to the specific instructions of the donor, or if no such specific instructions exist, in the sound discretion of the Director. The provisions of NRS 356.011 apply to any accounts in financial institutions maintained pursuant to this section.*

3. *The money in the Wildlife Trust Fund must be budgeted and expended, within any limitations which may have been specified by particular donors, at the discretion of the Director. The Director may authorize independent contractors that may be funded in whole or in part from the money in the Wildlife Trust Fund.*

4. *The Director or the Director's designee shall submit semiannually to the Interim Finance Committee a report concerning the investment and expenditure of the money in the Wildlife Trust Fund in such form and detail as the Interim Finance Committee determines is necessary.*

5. *A separate statement concerning the anticipated amount and proposed expenditures of the money in the Wildlife Trust Fund must be submitted to the Chief of the Budget Division of the Department of Administration for his or her information at the same time and for the same fiscal years as the requested budget of the Department submitted pursuant to NRS 353.210. The statement must be attached to the requested budget for the Department when the requested budget is submitted to the Fiscal Analysis Division of the Legislative Counsel Bureau pursuant to NRS 353.211.*

6. *The provisions of ~~chapters~~ chapter 333 ~~f, 338 and 341~~ of NRS ~~regarding the expenditure of public money~~ do not apply to the expenditure of money in the Wildlife Trust Fund.*

Sec. 2. NRS 501.356 is hereby amended to read as follows:

501.356 1. Money received by the Department from:

- (a) The sale of licenses;
- (b) Fees pursuant to the provisions of NRS 488.075 and 488.1795;
- (c) Remittances from the State Treasurer pursuant to the provisions of NRS 365.535;
- (d) Appropriations made by the Legislature; and
- (e) All other sources, except money derived from the forfeiture of any property described in NRS 501.3857 or money deposited in the Wildlife Heritage Trust Account pursuant to NRS 501.3575 , ~~or~~ in the Trout

Management Account pursuant to NRS 502.327 ~~§~~ *or in the Wildlife Trust Fund pursuant to section 1 of this act,*

↪ must be deposited with the State Treasurer for credit to the Wildlife Account in the State General Fund.

2. The interest and income earned on the money in the Wildlife Account, after deducting any applicable charges, must be credited to the Account.

3. Except as otherwise provided in subsection 4, the Department may use money in the Wildlife Account only to carry out the provisions of this title and chapter 488 of NRS and as provided in NRS 365.535, and the money must not be diverted to any other use.

4. Except as otherwise provided in NRS 502.250 and 504.155, all fees for the sale or issuance of stamps, tags, permits and licenses that are required to be deposited in the Wildlife Account pursuant to the provisions of this title and any matching money received by the Department from any source must be accounted for separately and must be used:

(a) Only for the management of wildlife; and

(b) If the fee is for the sale or issuance of a license, permit or tag other than a tag specified in subsection 5 or 6 of NRS 502.250, under the guidance of the Commission pursuant to subsection 2 of NRS 501.181.

Sec. 3. This act becomes effective on July 1, 2011.

Assemblywoman Smith moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Assembly Bill No. 570.

Bill read third time.

Remarks by Assemblyman Stewart.

Roll call on Assembly Bill No. 570:

YEAS—42.

NAYS—None.

Assembly Bill No. 570 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Assembly Bill No. 573.

Bill read third time.

Remarks by Assemblywoman Flores.

Roll call on Assembly Bill No. 573:

YEAS—27.

NAYS—Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hammond, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Woodbury—15.

Assembly Bill No. 573 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 37.

Bill read third time.

Roll call on Senate Bill No. 37:

YEAS—42.

NAYS—None.

Senate Bill No. 37 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 97.

Bill read third time.

Roll call on Senate Bill No. 97:

YEAS—42.

NAYS—None.

Senate Bill No. 97 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 128.

Bill read third time.

Roll call on Senate Bill No. 128:

YEAS—42.

NAYS—None.

Senate Bill No. 128 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 152.

Bill read third time.

Roll call on Senate Bill No. 152:

YEAS—38.

NAYS—Ellison, Hammond, Kite, McArthur—4.

Senate Bill No. 152 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 182.

Bill read third time.

Roll call on Senate Bill No. 182:

YEAS—40.

NAYS—Kite, McArthur—2.

Senate Bill No. 182 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 184.

Read third time.

Remarks by Assemblymen Atkinson and Kirkpatrick.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Atkinson moved that Senate Bill No. 184 be taken from the General File and placed on the Chief Clerk's desk.

Remarks by Assemblyman Atkinson.

Motion carried on a division of the House.

GENERAL FILE AND THIRD READING

Senate Bill No. 190.

Bill read third time.

Remarks by Assemblymen Sherwood, Carlton, and Atkinson.

Roll call on Senate Bill No. 190:

YEAS—30.

NAYS—Ellison, Goedhart, Hambrick, Hammond, Hansen, Hickey, Kirner, Livermore, McArthur, Sherwood, Stewart, Woodbury—12.

Senate Bill No. 190 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 201.

Bill read third time.

Remarks by Assemblywoman Diaz.

Roll call on Senate Bill No. 201:

YEAS—27.

NAYS—Ellison, Goicoechea, Grady, Hambrick, Hammond, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Stewart, Woodbury—15.

Senate Bill No. 201 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 210.

Bill read third time.

Roll call on Senate Bill No. 210:

YEAS—39.

NAYS—Ellison, Goedhart, Hansen—3.

Senate Bill No. 210 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 221.

Bill read third time.

Remarks by Assemblyman Brooks.

Roll call on Senate Bill No. 221:

YEAS—28.

NAYS—Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hammond, Hardy, Hickey, Kirner, Livermore, McArthur, Sherwood, Stewart, Woodbury—14.

Senate Bill No. 221 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 226.

Bill read third time.

Remarks by Assemblywoman Carlton.

Roll call on Senate Bill No. 226:

YEAS—42.

NAYS—None.

Senate Bill No. 226 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 234.

Bill read third time.

Roll call on Senate Bill No. 234:

YEAS—41.

NAYS—Goedhart.

Senate Bill No. 234 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 237.

Bill read third time.

Roll call on Senate Bill No. 237:

YEAS—36.

NAYS—Ellison, Hammond, Hardy, Hickey, Kite, McArthur—6.

Senate Bill No. 237 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 246.

Bill read third time.

Roll call on Senate Bill No. 246:

YEAS—42.

NAYS—None.

Senate Bill No. 246 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 273.

Bill read third time.

Roll call on Senate Bill No. 273:

YEAS—42.

NAYS—None.

Senate Bill No. 273 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 277.

Bill read third time.

Roll call on Senate Bill No. 277:

YEAS—42.

NAYS—None.

Senate Bill No. 277 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 300.

Bill read third time.

Roll call on Senate Bill No. 300:

YEAS—28.

NAYS—Ellison, Goicoechea, Grady, Hambrick, Hansen, Hardy, Hickey, Kirner, Kite, Livermore, McArthur, Sherwood, Stewart, Woodbury—14.

Senate Bill No. 300 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 317.

Bill read third time.

Roll call on Senate Bill No. 317:

YEAS—42.

NAYS—None.

Senate Bill No. 317 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 323.

Bill read third time.

Roll call on Senate Bill No. 323:

YEAS—42.

NAYS—None.

Senate Bill No. 323 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 339.

Bill read third time.

Roll call on Senate Bill No. 339:

YEAS—42.

NAYS—None.

Senate Bill No. 339 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 358.

Bill read third time.

Roll call on Senate Bill No. 358:

YEAS—42.

NAYS—None.

Senate Bill No. 358 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 420.

Bill read third time.

Roll call on Senate Bill No. 420:

YEAS—42.

NAYS—None.

Senate Bill No. 420 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 444.

Bill read third time.

Roll call on Senate Bill No. 444:

YEAS—42.

NAYS—None.

Senate Bill No. 444 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 450.

Bill read third time.

Roll call on Senate Bill No. 450:

YEAS—42.

NAYS—None.

Senate Bill No. 450 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 481.

Bill read third time.

Roll call on Senate Bill No. 481:

YEAS—42.

NAYS—None.

Senate Bill No. 481 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Joint Resolution No. 3.

Resolution read third time.

Roll call on Senate Joint Resolution No. 3:

YEAS—41.

NAYS—Pierce.

Senate Joint Resolution No. 3 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Resolution ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Atkinson moved that Senate Bill No. 36 be taken from the Chief Clerk's desk and placed at the bottom of the General File.

Motion carried.

Assemblyman Conklin moved that the Assembly recess until 3 p.m.

Motion carried.

Assembly in recess at 12:12 p.m.

ASSEMBLY IN SESSION

At 3:17 p.m.

Mr. Speaker presiding.

Quorum present.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Government Affairs, to which was referred Senate Bill No. 233, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

Also, your Committee on Government Affairs, to which was referred Senate Bill No. 192, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, but without recommendation.

MARILYN K. KIRKPATRICK, *Chair*

MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 28, 2011

To the Honorable the Assembly:

I have the honor to inform your honorable body that the Senate on this day passed Assembly Bill No. 98.

Also, I have the honor to inform your honorable body that the Senate amended, and on this day passed, as amended, Assembly Bill No. 198, Amendment No. 611; Assembly Bill No. 304, Amendment No. 747, and respectfully requests your honorable body to concur in said amendments.

Also, I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bill No. 231.

SHERRY L. RODRIGUEZ
Assistant Secretary of the Senate

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Bills Nos. 192 and 233, just reported out of committee, be placed on the Second Reading File.

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 192.

Bill read second time.

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

Amendment No. 698.

AN ACT relating to governmental financial administration; requiring the submission of annual reports by certain governmental entities relating to the persons awarded contracts for the design or construction of public works and the compilation of such reports by the Commission on Economic Development; requiring the capital improvement plan of a local government to include certain information regarding expenditures to maintain, renovate and replace capital assets; authorizing certain local governments to expend certain taxes ad valorem to maintain, renovate and replace governmental buildings; requiring the distribution of a portion of the taxes ad valorem levied in certain counties to the regional transportation commissions in those counties and authorizing the distribution to be pledged for bonds and other securities issued for payment of the cost of regional transportation projects; declaring the policy of the State to use private sector services on public works; providing for an interim study; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Local governments are required under existing law to submit an annual fiscal report to the Department of Taxation. (NRS 354.6015) **Section 6** of this bill requires a local government to include in that annual report the percentage of contracts for the design and construction of public works that were awarded during the reporting period to contractors and design professionals in this State. **Sections 14 and 16** of this bill impose identical reporting requirements on the State Public Works Board and the Department of Transportation with respect to contracts for public works of the State. **Section 2** of this bill requires the Commission on Economic Development to compile those reports and transmit the compilation to the Legislature, or the Interim Finance Committee, if the Legislature is not in regular session.

Under existing law, a local government is required to prepare annually a 6-year capital improvement plan. (NRS 354.5945) **Section 4.5** of this bill requires such a plan to include a separate listing of expenditures to maintain, renovate and replace capital assets, and a comparison of those expenditures to the amount of depreciation of those assets.

Existing law authorizes a county to levy a tax ad valorem for capital projects in the amount of 5 cents per \$100 of the assessed valuation of the county and, in a county whose population is 100,000 or more (currently Clark and Washoe Counties), requires the distribution of a portion of the proceeds of the tax among the county and the cities and towns within the county. (NRS 354.59815) **Section 5** of this bill authorizes each of those local governments that receives such a distribution to expend those tax receipts for projects to maintain, renovate and replace its buildings.

Section 7 of this bill requires the distribution to the regional transportation commission created in each county whose population is 100,000 or more (currently Clark and Washoe Counties) of the portion of the property taxes levied for operating purposes by that county at the rate of 2 cents per \$100 of assessed valuation. **Section 15** of this bill authorizes this distribution to be

used as pledged revenue for bonds and other securities issued by the county to pay the cost of regional transportation projects in the county.

Under existing law, if the estimated cost of a public work is \$100,000 or less, the State or a local government is authorized to award the contract to a contractor or perform the work with its own employees if certain requirements are met. (NRS 338.1386, 338.1442) Similarly, under existing law, if the estimated cost of a public work is less than \$35,000, the State or a political subdivision is authorized to prepare the maps, plans, specifications, reports and estimates for the public work itself. (NRS 625.530) The Department of Transportation is also authorized under existing law to perform limited work and improvements itself. (NRS 408.323) **Sections 8, 11, 17 and 18** of this bill add a legislative declaration to those provisions in existing law, stating that, whenever possible, it is in the best interest of the State for those services on public works to be performed by the private sector. **Section 19 of this bill directs the Legislative Commission to conduct an interim study concerning the extent to which contractors and workers who are employed on public projects and large private projects are from this State and provide recommendations for policies and other actions to increase the number of contractors and workers who are from this State.**

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

Section 1. The Legislature hereby finds and declares:

1. That infrastructure development is a critical component of this State's long-term economic development strategy.
2. It is paramount that the Nevada Legislature address the State's high unemployment rate through job creation that improves the State's infrastructure for purposes of economic development.
3. This measure is intended to facilitate the development of an integrated approach to Nevada's economic development strategy.

Sec. 2. Chapter 231 of NRS is hereby amended by adding thereto a section to read as follows:

On or before March 1 of each year, the Commission on Economic Development shall compile the reports relating to the persons awarded contracts for the design or construction of public works required pursuant to sections 6, 14 and 16 of this act and transmit the compilation to the Legislature, or the Interim Finance Committee, if the Legislature is not in regular session.

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 4.5. NRS 354.5945 is hereby amended to read as follows:

354.5945 1. Except as otherwise provided in subsection ~~[7]~~ 8, each local government shall annually prepare, on a form prescribed by the Department of Taxation for use by local governments, a capital improvement

plan for the fiscal year ending on June 30 of that year and the ensuing 5 fiscal years.

2. On or before August 1 of each year, each local government shall submit a copy of the capital improvement plan of the local government to the:

- (a) Department of Taxation;
- (b) Debt management commission of the county in which the local government is located; and
- (c) Director of the Legislative Counsel Bureau.

3. Each local government shall file a copy of the capital improvement plan of the local government for public record and inspection by the public in the offices of:

- (a) The clerk or secretary of the governing body; and
- (b) The county clerk.

4. The total amount of the expenditures contained in the capital improvement plan of the local government for the next ensuing fiscal year must equal the total amount of expenditures for capital outlay set forth in the final budget of the local government for each fund listed in that budget.

5. The capital improvement plan must include the estimated or actual revenues and expenditures for each capital project and the estimated or actual date for completion of each capital project.

6. The capital improvement plan must reconcile the capital outlay in each fund in the final budget for the first year of the capital improvement plan to the final budget in the next ensuing fiscal year. The reconciliation must identify the minimum level of expenditure for items classified as capital assets in the final budget and the minimum level of expenditure for items classified as capital projects in the capital improvement plan. The reconciliation of capital outlay items in the capital improvement plan must be presented on forms created and distributed by the Department of Taxation.

7. ***The capital improvement plan must include:***

(a) A separate listing of estimated or actual expenditures for each year for capital projects to maintain, renovate and replace the capital assets of the local government; and

(b) A comparison of the total amount of those expenditures for each year with the total amount of depreciation of the capital assets of the local government for that year, as determined in accordance with the schedules of depreciation used by the local government in the preparation of its audited financial statements.

8. Local governments that are exempt from the requirements of the Local Government Budget and Finance Act pursuant to subsection 1 of NRS 354.475 are not required to file a capital improvement plan.

Sec. 5. NRS 354.598155 is hereby amended to read as follows:

354.598155 1. Each local government that receives a portion of the revenue from the tax levied pursuant to the provisions of NRS 354.59815 shall establish a special ad valorem capital projects fund and shall deposit all

revenue received pursuant to the provisions of NRS 354.59815 in that fund. All interest and income earned on the money in the fund must also be deposited in the fund.

2. The money in the fund may only be used for:

(a) The purchase of capital assets , including land, improvements to land and major items of equipment;

(b) ~~The~~ ***In a county:***

(1) ***Whose population is less than 100,000, the*** renovation of existing governmental facilities , not including normal recurring maintenance; ***or***

(2) ***Whose population is 100,000 or more:***

(I) ***The maintenance, renovation and replacement of governmental buildings; and***

(II) ***The renovation of other existing governmental facilities, not including normal recurring maintenance;*** and

(c) The repayment of a medium-term obligation issued to fund a project described in paragraph (a) or (b).

3. Money may be retained in the fund for not more than 10 years to allow the funding of projects without the issuance of bonds or other obligations. For the purpose of determining the length of time a deposit of money has been retained in the fund, all money withdrawn from the fund shall be deemed to be taken on a first-in, first-out basis.

4. The annual budget and audit report of each local government must specifically identify this fund and must indicate in detail the projects that have been funded with money from the fund. Any planned accumulation of the money in the fund must also be specifically identified.

Sec. 6. NRS 354.6015 is hereby amended to read as follows:

354.6015 1. Except as otherwise provided in subsection 3, the governing board of a local government shall:

(a) Submit electronically a fiscal report of the local government to the Department of Taxation ***and the Commission on Economic Development*** in accordance with the requirements prescribed by the Committee on Local Government Finance pursuant to subsection 2; and

(b) Publish a summary of the fiscal report, which must contain the information required by the Committee on Local Government Finance pursuant to subsection 2, in a newspaper of general circulation in the county in which the local government is situated.

2. The Committee on Local Government Finance shall prescribe, by regulation:

(a) The dates and times for filing a fiscal report, which must require a local government to file at least one fiscal report per year;

(b) The content of a fiscal report, which must include, without limitation, revenues, expenditures, fund balances, cash balances, components of assessed value, debt schedules , ***the percentage of contracts that were awarded during the reporting period to a design professional who is registered or licensed, as applicable, in this State for the design of public***

works of the local government and to a contractor who holds a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to NRS 338.1389 or 338.147 for the construction of public works of the local government and any other information that the Committee on Local Government Finance determines to be appropriate for determining the financial status of a local government;

(c) The content for a summary of a fiscal report that must be published pursuant to subsection 1; and

(d) A uniform method for creating and submitting a fiscal report electronically pursuant to this section. The method must facilitate the storage and reproduction of the fiscal report in electronic format by the Department of Taxation.

3. The Committee on Local Government Finance may establish, by regulation, an exception to the requirement that a fiscal report be submitted to the Department of Taxation *and Commission on Economic Development* in electronic format. The exception must be limited to local governments that the Committee determines do not have the financial ability to comply with the method for submitting a fiscal report to the Department of Taxation *and Commission on Economic Development* prescribed by the Committee. If the Committee on Local Government Finance provides an exception pursuant to this subsection, the Committee shall provide, by regulation, specific standards that it will use to determine whether a local government qualifies for an exemption pursuant to this subsection.

4. The Committee on Local Government Finance shall adopt regulations pursuant to this section in the manner prescribed for state agencies in chapter 233B of NRS.

Sec. 7. Chapter 277A of NRS is hereby amended by adding thereto a new section to read as follows:

1. Notwithstanding any other statutory provision to the contrary, the county treasurer of each county whose population is 100,000 or more and in which a commission has been created pursuant to this chapter shall distribute quarterly to that commission, from the proceeds of the taxes ad valorem levied by that county for the operating expenses of the county, the amount of those proceeds attributable to the levy of those taxes on all taxable property in the county at the rate of 2 cents per \$100 of assessed valuation.

2. The proceeds distributed by the county treasurer of a county pursuant to this section must be expended for projects in the county in accordance with the provisions of this chapter and chapter 373 of NRS.

3. For the purposes of NRS 354.59811, the amount of the proceeds distributed by the county treasurer of a county pursuant to this section shall be deemed to constitute revenue received by the county.

Sec. 8. NRS 338.1386 is hereby amended to read as follows:

338.1386 **1.** *The Legislature hereby finds and declares that it is in the best interest of the State for a public body to use private sector services for*

the performance of a public work, whenever possible, while maintaining an appropriate administrative, management and oversight role on the public work.

2. If the estimated cost of a public work is \$100,000 or less, this State or a local government shall:

~~1.1~~ (a) Award a contract for the completion of the public work to a properly licensed contractor in accordance with NRS 338.13862; or

~~1.2~~ (b) Perform the public work itself in accordance with NRS 338.13864.

Sec. 9. NRS 338.13862 is hereby amended to read as follows:

338.13862 1. Before this State or a local government awards a contract for the completion of a public work in accordance with *paragraph (a) of subsection ~~1.1~~ 2* of NRS 338.1386, the State or the local government must:

(a) If the estimated cost of the public work is more than \$25,000 but not more than \$100,000, solicit bids from at least three properly licensed contractors; and

(b) If the estimated cost of the public work is \$25,000 or less, solicit a bid from at least one properly licensed contractor.

2. Any bids received in response to a solicitation for bids made pursuant to this section may be rejected if the State or the local government determines that:

(a) The quality of the services, materials, equipment or labor offered does not conform to the approved plan or specifications;

(b) The bidder is not responsive or responsible; or

(c) The public interest would be served by such a rejection.

3. At least once each quarter, the State and each local government shall prepare a report detailing, for each public work over \$25,000 for which a contract for its completion is awarded pursuant to paragraph (a) of subsection 1, if any:

(a) The name of the contractor to whom the contract was awarded;

(b) The amount of the contract awarded;

(c) A brief description of the public work; and

(d) The names of all contractors from whom bids were solicited.

4. A report prepared pursuant to subsection 3 is a public record and must be maintained on file at the administrative offices of the applicable public body.

5. The provisions of this section do not relieve this State from the duty to award the contract for the public work to a bidder who is:

(a) Qualified pursuant to the applicable provisions of NRS 338.1375 to 338.1382, inclusive; and

(b) The lowest responsive and responsible bidder, if bids are required to be solicited from more than one properly licensed contractor pursuant to subsection 1. For the purposes of this paragraph, the lowest responsive and responsible bidder must be determined in consideration of any applicable bidder's preference granted pursuant to NRS 338.13844.

Sec. 10. NRS 338.13864 is hereby amended to read as follows:

338.13864 1. If the State or a local government proposes to perform a public work itself in accordance with *paragraph (b) of* subsection 2 of NRS 338.1386, the public officer responsible for the management of the public works of the State or the local government, as applicable, must, if the estimated cost of the public work is more than \$25,000 but not more than \$100,000 and before work on the public work is commenced, prepare a signed attestation regarding the decision of the State or the local government to perform the public work itself.

2. An attestation prepared pursuant to subsection 1:

(a) Must set forth:

(1) The estimated cost of the public work;

(2) A general statement as to why the State or the local government has decided to perform the public work itself; and

(3) A general statement that the public work will adhere to the same quality and standards as would be required of a properly licensed contractor if the public work had been awarded to a properly licensed contractor; and

(b) Is a public record and must be maintained on file at the administrative offices of the applicable public body.

Sec. 11. NRS 338.1442 is hereby amended to read as follows:

338.1442 1. *The Legislature hereby finds and declares that it is in the best interest of the State for a public body to use private sector services for the performance of a public work, whenever possible, while maintaining an appropriate administrative, management and oversight role on the public work.*

2. If the estimated cost of a public work is \$100,000 or less, a local government shall:

~~{1}~~ (a) Award a contract for the completion of the public work to a properly licensed contractor in accordance with NRS 338.1444; or

~~{2}~~ (b) Perform the public work itself in accordance with NRS 338.1446.

Sec. 12. NRS 338.1444 is hereby amended to read as follows:

338.1444 1. Before a local government awards a contract for the completion of a public work in accordance with *paragraph (a) of* subsection ~~{1}~~ 2 of NRS 338.1442, the local government must:

(a) If the estimated cost of the public work is more than \$25,000 but not more than \$100,000, solicit bids from at least three properly licensed contractors; and

(b) If the estimated cost of the public work is \$25,000 or less, solicit a bid from at least one properly licensed contractor.

2. Any bids received in response to a solicitation for bids made pursuant to this section may be rejected if the local government determines that:

(a) The quality of the services, materials, equipment or labor offered does not conform to the approved plan or specifications;

(b) The bidder is not responsive or responsible; or

(c) The public interest would be served by such a rejection.

3. At least once each quarter, a local government shall prepare a report detailing, for each public work over \$25,000 for which a contract for its completion is awarded pursuant to paragraph (a) of subsection 1, if any:

- (a) The name of the contractor to whom the contract was awarded;
- (b) The amount of the contract awarded;
- (c) A brief description of the public work; and
- (d) The names of all contractors from whom bids were solicited.

4. A report prepared pursuant to subsection 3 is a public record and must be maintained on file at the administrative offices of the applicable public body.

5. The provisions of this section do not relieve a local government from the duty to award the contract for the public work to a bidder who is the lowest responsive and responsible bidder if bids are required to be solicited from more than one properly licensed contractor pursuant to subsection 1.

Sec. 13. NRS 338.1446 is hereby amended to read as follows:

338.1446 1. If a local government proposes to perform a public work itself in accordance with *paragraph (b) of* subsection 2 of NRS 338.1442, the public officer responsible for the management of the public works of the local government must, if the estimated cost of the public work is more than \$25,000 but not more than \$100,000 and before work on the public work is commenced, prepare a signed attestation regarding the decision of the local government to perform the public work itself.

2. An attestation prepared pursuant to subsection 1:

(a) Must set forth:

- (1) The estimated cost of the public work;
- (2) A general statement as to why the local government has decided to perform the public work itself; and
- (3) A general statement that the public work will adhere to the same quality and standards as would be required of a properly licensed contractor if the public work had been awarded to a properly licensed contractor; and

(b) Is a public record and must be maintained on file at the administrative offices of the local government.

Sec. 14. NRS 341.191 is hereby amended to read as follows:

341.191 1. The Board shall submit reports and make recommendations relative to its findings to the Governor and to the Legislature. The Board shall particularly recommend to the Governor and to the Legislature the priority of construction of any buildings or other construction work now authorized or that may hereafter be authorized or proposed.

2. The Board shall submit before October 1 of each even-numbered year its recommendations for projects for capital improvements in the next biennium. The recommendations must, to the extent practicable, provide that each project which exceeds a cost of \$10,000,000 be scheduled to receive funding for design and planning during one biennium and funding for construction in the subsequent biennium.

3. *The Board shall, not later than December 31 of each year, submit to the Commission on Economic Development a report discussing the percentage of contracts that were awarded during the immediately preceding fiscal year:*

(a) *To a design professional who is registered or licensed, as applicable, in this State for the design of public works of the State.*

(b) *To a contractor who holds a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to NRS 338.1389 for the construction of public works of the State.*

Sec. 15. NRS 373.131 is hereby amended to read as follows:

373.131 1. Money for the payment of the cost of a project within the area embraced by a regional plan for transportation established pursuant to NRS 277A.210 may be obtained by the issuance of revenue bonds and other revenue securities as provided in subsection 2 or, subject to any pledges, liens and other contractual limitations made pursuant to the provisions this chapter and chapter 277A of NRS, may be obtained by direct distribution from the regional street and highway fund, except to the extent any such use is prevented by the provisions of NRS 373.150, or may be obtained both by the issuance of such securities and by such direct distribution, as the board may determine. Money for street and highway construction outside the area embraced by the plan may be distributed directly from the regional street and highway fund as provided in NRS 373.150.

2. The board may, after the enactment of any ordinance authorized by the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 or paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066, issue revenue bonds and other revenue securities, on the behalf and in the name of the county:

(a) The total of all of which, issued and outstanding at any one time, must not be in an amount requiring a total debt service in excess of the estimated ***distributions made to the commission in the county pursuant to section 7 of this act and the estimated*** receipts to be derived from the taxes imposed pursuant to the provisions of NRS 373.030, paragraph (d) of subsection 1 of NRS 373.065 and paragraphs (d) to (m), inclusive, of subsection 1 of NRS 373.066;

(b) Which must not be general obligations of the county or a charge on any real estate therein; and

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

3. A county is authorized to issue bonds without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.

4. Subject to the provisions of this chapter and chapter 277A of NRS, for any project authorized therein, the board of any county may, on the behalf and in the name of the county, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county securities, and in connection with the undertaking or project, the board may otherwise proceed as provided in the Local Government Securities Law.

5. All such securities constitute special obligations payable from the net receipts of the fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.

6. Except for:

(a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;

(b) Any interim debentures which are funded with the proceeds of bonds;

(c) Any temporary bonds which are exchanged for definitive bonds;

(d) Any bonds which are reissued or which are refunded; and

(e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,

↪ all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of fuel taxes collected by or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. ~~[Receipts]~~ ***Distributions made to the commission in the county pursuant to section 7 of this act and receipts*** of the taxes levied in NRS 365.180 and 365.190 and pursuant to the provisions of paragraphs (a) and (b) of subsection 1 of NRS 373.065 and paragraphs (a) and (b) of subsection 1 of NRS 373.066 may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or other highways nor for any purchase of equipment therefor, and the receipts of the tax levied in NRS 365.190 must not be apportioned pursuant to subsection 2 of NRS 365.560 unless, at any time the tax receipts are so apportioned, provision has been made in a timely manner for the payment of such outstanding securities as to the principal of, any prior redemption premiums due in connection with, and the interest on the securities as they become due, as provided in the securities, the ordinance authorizing their issuance and any other instrument appertaining to the securities.

7. The ordinance authorizing the issuance of any bond or other revenue security under this section must describe the purpose for which it is issued at least in general terms and may describe the purpose in detail. This section does not require the purpose so stated to be set forth in the detail in which the project approved by the commission pursuant to subsection 2 of NRS 373.140 is stated, or prevent the modification by the board of details as

to the purpose stated in the ordinance authorizing the issuance of any bond or other security after its issuance, subject to approval by the commission of the project as so modified.

Sec. 16. NRS 408.133 is hereby amended to read as follows:

408.133 1. The Board shall adopt a plan for measuring the performance of the Department, which must include separate sets of performance measurements for each division of the Department and for the Department as a whole.

2. The Director shall, not later than December 31 of each year:

(a) Prepare a report, based upon the relevant performance measurements adopted pursuant to subsection 1, on the level of achievement of each division of the Department and of the Department as a whole during the immediately preceding fiscal year. The report must include a discussion of:

(1) The goals and objectives of the Department, and the current status of the Department in relation to meeting those goals and objectives;

(2) Any applicable directives from the Board or Legislature since the most recent report prepared pursuant to this section;

(3) The scheduling, scope, cost and progress of any current or proposed highway projects;

(4) The sources, amount and expenditure of any funding received during the immediately preceding fiscal year;

(5) The rationale used to establish priorities for the completion of highway projects;

(6) The percentage of contracts that were awarded:

(I) To a design professional who is registered or licensed, as applicable, in this State for the design of works or improvements of the Department; or

(II) To a contractor who holds a certificate of eligibility to receive a preference in bidding on public works from the State Contractors' Board pursuant to NRS 338.1389 for the construction of works or improvements of the Department; and

~~[(6)]~~ (7) Any recommendations for amendments to the plan adopted pursuant to subsection 1.

(b) Submit the report to:

(1) The Board;

(2) The Commission on Economic Development; and

~~[(2)]~~ (3) The Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee.

Sec. 17. NRS 408.323 is hereby amended to read as follows:

408.323 1. *The Legislature hereby finds and declares that it is in the best interest of the State for the Department to use private sector services for the performance of a work or improvement, whenever possible, while maintaining an appropriate administrative, management and oversight role on the work or improvement.*

2. Whenever it can be justified by the Director that limited work or improvements can be done in a more economical or other satisfactory manner than by contract under NRS 408.327, the Director may, with the approval of the Board, execute such work or improvements with Department facilities and employees.

~~{2-}~~ 3. In the event of disaster or great emergency the Director may, with the approval of the Board, hire, employ or contract for such labor, materials and equipment as are in the Director's opinion necessary to reroute, repair or replace any highway threatened or damaged by the emergency or disaster, and the provisions of NRS 408.327 and 408.367 do not apply.

Sec. 18. NRS 625.530 is hereby amended to read as follows:

625.530 **1.** *The Legislature hereby finds and declares that it is in the best interest of the State of Nevada for the State and its political subdivisions to use private sector services for the performance of work involving the practice of professional engineering or land surveying on a public work, whenever possible, while maintaining an appropriate administrative, management and oversight role on the public work.*

2. Except as otherwise provided in NRS 338.1711 to 338.1727, inclusive, and 408.3875 to 408.3887, inclusive:

~~{1-}~~ (a) The State of Nevada or any of its political subdivisions, including a county, city or town, shall not engage in any public work requiring the practice of professional engineering or land surveying, unless the maps, plans, specifications, reports and estimates have been prepared by, and the work executed under the supervision of, a professional engineer, professional land surveyor or registered architect.

~~{2-}~~ (b) The provisions of this ~~{section}~~ **subsection** do not ~~{~~

~~{a) Apply}~~ **apply** to any public work wherein the expenditure for the complete project of which the work is a part does not exceed \$35,000 ~~{~~

~~{b)}~~ *if the public officer responsible for the management of the public works of the State or political subdivision, as applicable, prepares a signed attestation before the design of the public work is commenced regarding the decision of the State or political subdivision to prepare the maps, plans, specifications, reports and estimates for the public work itself. An attestation prepared pursuant to this paragraph:*

(I) *Must set forth:*

(I) *The estimated cost of the preparation of the maps, plans, specifications, reports and estimates for the public work;*

(II) *A general statement as to why the State or political subdivision has decided to prepare the maps, plans, specifications, reports and estimates for the public work itself; and*

(III) *A general statement that the maps, plans, specifications, reports and estimates for the public work will adhere to the same quality and standards as would be required of a professional engineer, professional land surveyor or registered architect if the maps, plans, specifications, reports and estimates for the public work had been prepared*

by a professional engineer, professional land surveyor or registered architect; and

(2) Is a public record and must be maintained on file at the appropriate administrative offices of the State or political subdivision.

(c) *The provisions of this subsection do not:*

(1) Include any maintenance work undertaken by the State of Nevada or its political subdivisions.

~~[(e)]~~ (2) Authorize a professional engineer, registered architect or professional land surveyor to practice in violation of any of the provisions of chapter 623 of NRS or this chapter.

~~[(d)]~~ (3) Require the services of an architect registered pursuant to the provisions of chapter 623 of NRS for the erection of buildings or structures manufactured in an industrial plant, if those buildings or structures meet the requirements of local building codes of the jurisdiction in which they are being erected.

~~[(3)]~~ (d) The selection of a professional engineer, professional land surveyor or registered architect to perform services pursuant to ~~[subsection 1]~~ **paragraph (a)** must be made on the basis of the competence and qualifications of the engineer, land surveyor or architect for the type of services to be performed and not on the basis of competitive fees. If, after selection of the engineer, land surveyor or architect, an agreement upon a fair and reasonable fee cannot be reached with him or her, the public agency may terminate negotiations and select another engineer, land surveyor or architect.

Sec. 19. 1. The Legislative Commission shall appoint a committee to conduct an interim study concerning contractors and workers.

2. The committee appointed pursuant to subsection 1 must be composed of six Legislators as follows:

(a) Three members appointed by the Majority Leader of the Senate, at least one of whom must be appointed from the membership of the Senate Standing Committee on Commerce and Labor or the Senate Select Committee on Economic Growth and Employment during the immediately preceding session of the Legislature; and

(b) Three members appointed by the Speaker of the Assembly, at least one of whom must be appointed from the membership of the Assembly Standing Committee on Commerce and Labor or the Assembly Standing Committee on Government Affairs during the immediately preceding session of the Legislature.

3. The study must include, without limitation, an examination of:

(a) The extent to which contractors and workers who are employed on public projects and large private projects are from this State.

(b) Recommendations for policies and other actions that may be taken to increase the number of contractors and workers who are from this State.

(c) Any other matter that the committee determines to be relevant to the study.

4. The Legislative Commission shall submit a report of the results of the study and any recommendations for legislation to the 77th Session of the Nevada Legislature.

~~[Sec. 19]~~ **Sec. 20.** This act becomes effective:

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

2. On July 1, 2011, for all other purposes.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

Senate Bill No. 233.

Bill read second time.

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

Amendment No. 699.

SENATORS PARKS , [AND] HORSFORD AND KIECKHEFER

JOINT SPONSORS: ASSEMBLYMEN OCEGUERA, CONKLIN, HANSEN , [AND]

BROOKS , HARDY; ANDERSON, BUSTAMANTE ADAMS, KIRKPATRICK AND

SMITH

SUMMARY—~~[Establishes the Office of Grant Procurement, Coordination and Management in the Department of Administration.]~~ **Makes various changes concerning the administration of grants.** (BDR 18-1058)

AN ACT relating to grants; establishing the Office of Grant Procurement, Coordination and Management in the Department of Administration; setting forth the duties of the Chief of the Office; requiring all state ~~and local~~ agencies to notify the Office of any grants for which the agency applies and any which they receive; **authorizing state agencies, commissions and departments to hold certain hearings relating to grants; authorizing state departments, institutions and agencies to take certain actions to carry out a grant before receiving approval from the Interim Finance Committee; increasing the monetary thresholds at which certain approval of revisions of work programs and acceptance of gifts and grants is required; increasing the amount of certain gifts and grants that certain state agencies may accept under certain circumstances;** and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides for the Department of Administration, divides the Department into various divisions and requires the Director of the Department to appoint Chiefs of those divisions. (NRS 232.213, 232.215) **Sections 9 and 10** of this bill establish the Office of Grant Procurement, Coordination and Management in the Department and require the Director to

appoint the Chief of the Office. **Section 2** of this bill sets forth the qualifications for the Chief. **Section 2.5 of this bill requires the Chief to employ two persons to assist him or her in carrying out the duties of the Office.** **Section 3** of this bill sets forth the duties of the Chief, which include: (1) researching and identifying federal grants which may be available to state ~~and local~~ agencies; ~~and local nonprofit organizations;~~ (2) writing grants for federal funds for state agencies; (3) coordinating with members of Congress representing this State to identify and manage available federal grants and programs; (4) seeking out grants and writing grant proposals for state agencies in Nevada; **and** (5) ~~compiling information about grants and providing information to state and local agencies about grants for which they are eligible to apply;~~ (6) keeping track of all the grants for which state ~~and local~~ agencies have applied and of all grants they have received, and **if practicable,** coordinating with ~~those~~ **state and local** agencies that have received grants for similar projects to ensure they do not duplicate their efforts or services ~~;~~ and (7) ~~seeking grants for which businesses can apply to develop projects in Nevada and offering to help those companies in applying for such grants. In addition, section 3 authorizes the Chief to write grants for federal funds for local agencies and local nonprofit organizations if he or she is requested to do so by the local agency or local nonprofit organization.~~

Section 4 of this bill requires all state ~~and local~~ agencies to notify the Office of any grants for which they apply and any grants which they receive.

If a public hearing is required in connection with a grant from the Federal Government to a state agency, commission or department, section 11.3 of this bill authorizes the agency, commission or department to either request that the hearing be included as an agenda item at a meeting of the Interim Finance Committee or conduct the hearing itself. **Section 11.5 of this bill authorizes a department, institution or agency of the Executive Department of State Government which has received a grant that requires approval from the Interim Finance Committee to take steps to carry out the grant before receiving such approval, including, without limitation, classifying positions, recruiting for positions, advertising for bids or requesting proposals if the department, institution or agency includes a statement in the notice or advertisement that any position or contract is contingent upon approval by the Interim Finance Committee.**

Under the State Budget Act, a department, institution or agency of the Executive Department of State Government is required to obtain approval from the Interim Finance Committee, except in certain limited circumstances, before revising a work program in an amount more than \$20,000 if the revision will increase or decrease by 10 percent or \$50,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program. (NRS 353.220) Section 11.7 of this bill increases the monetary threshold to an amount of more

than \$30,000 if the revision will increase by 10 percent or \$75,000, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program. Section 11.9 of this bill increases, under certain circumstances, the maximum amount of gifts, including grants from nongovernmental sources, that certain state agencies can accept from \$10,000 to \$20,000 and the maximum amount of governmental grants that such an agency can accept from \$100,000 to \$150,000.

~~[Section 12 of this bill requires the Chief of the Office to develop suggestions and proposals for an incentive program to encourage businesses to apply for grants to develop projects in Nevada and, on or before January 1, 2013, to submit a report setting forth those suggestions and proposals, together with any recommendations for legislation, to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.]~~

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

Section 1. Chapter 232 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. 1. *The person appointed to serve as the Chief of the Office of Grant Procurement, Coordination and Management must have:*

- (a) *Extensive expertise and experience in applying for and receiving grants;*
- (b) *Specialized knowledge of the process of grant writing and approval in the public and private sector; and*
- (c) *Proven experience in designing and managing programs which rely solely or partially upon money received from grants.*

2. *The Chief shall devote his or her entire time and attention to the business of his or her office and shall not engage in any other gainful employment or occupation.*

Sec. 2.5. 1. *The Chief of the Office of Grant Procurement, Coordination and Management shall employ two persons to serve in the unclassified service of the State for the purposes set forth in this section.*

2. A person employed pursuant to this section shall, under the direction of the Chief of the Office of Grant Procurement, Coordination and Management, assist the Chief in carrying out the provisions of sections 2 to 6, inclusive, of this act.

Sec. 3. 1. *The Chief of the Office of Grant Procurement, Coordination and Management shall:*

- (a) *Research and identify federal grants which may be available to state ~~for local~~ agencies, ~~and local nonprofit organizations.~~*
- (b) *Write grants for federal funds for state agencies.*
- (c) *Coordinate with the members of Congress representing this State to combine efforts relating to identifying and managing available federal grants and related programs.*

(d) *If requested by a state agency, research the availability of grants and write grant proposals and applications for the state agency, giving priority to grants:*

(1) For the Department of Health and Human Services;

(2) For the Office of Energy; and

(3) Which may facilitate economic development in this State. ~~† and~~

~~*(2) For research and development at a university, state college, community college or research facility within the Nevada System of Higher Education.†*~~

~~*(e) Create and maintain an Internet website which sets forth information relating to grants, including, without limitation, contacts for information and applications for grants, resources for applying for and receiving grants, information concerning grants that have been applied for and awarded to state and local agencies, and notifications of opportunities for grants.*~~

~~*(†) To the greatest extent practicable, ensure that state ~~and local~~ agencies are aware of any grant opportunities for which they are or may be eligible.*~~

~~*† (g) Advise†*~~

~~*(f) If requested by the Director of a state agency, advise the Director and the state ~~and local agencies~~ agency concerning the requirements for receiving and managing grants.*~~

~~*† (h) Coordinate†*~~

~~*(g) To the greatest extent practicable, coordinate with ~~† and~~ state and local agencies that have received grants for similar projects to ensure that the efforts and services of those state and local agencies are not duplicated.*~~

~~*(i) Seek grants for which businesses may apply that may assist those businesses in developing projects in this State and offer to assist those businesses in applying for such grants.*~~

~~*(†) (h) On or before January 1 of each odd-numbered year, submit to the Director of the Legislative Counsel Bureau for transmittal to the Legislature a report regarding all activity relating to the application for, receipt of and use of grants in this State.*~~

~~*2. If requested by a local agency or local nonprofit organization, the Chief may write grant proposals and applications for federal funds for the local agency or local nonprofit organization.*~~

~~*3. The Chief may adopt regulations to carry out the provisions of this section and sections 4 and 5 of this act.*~~

Sec. 4. *In addition to any other requirement concerning applying for or receiving a grant, a state ~~or local~~ agency shall notify the Office of Grant Procurement, Coordination and Management, on a form prescribed by the Office, of any grant:*

1. For which the state ~~or local~~ agency applies; and

2. Which the state ~~or local~~ agency receives.

Sec. 5. *The Office of Grant Procurement, Coordination and Management may apply for and receive any gift, grant, contribution or*

other money from any source to carry out the provisions of sections 2 to 6, inclusive, of this act.

Sec. 6. 1. *The Account for the Office of Grant Procurement, Coordination and Management is hereby created in the State General Fund. The Account must be administered by the Chief of the Office.*

2. *Any money accepted pursuant to section 5 of this act must be deposited in the Account.*

3. *The interest and income earned on the money in the Account, after deducting any applicable charges, must be credited to the Account.*

4. *The money in the Account which is donated for a purpose specified by the donor, within the scope of the duties of the Chief of the Office of Grant Procurement, Coordination and Management, must only be used for that purpose. If no purpose is specified, the money in the Account must only be used to carry out the duties of the Chief.*

5. *Claims against the Account must be paid as other claims against the State are paid.*

Sec. 7. (Deleted by amendment.)

Sec. 8. NRS 232.212 is hereby amended to read as follows:

232.212 As used in NRS 232.212 to 232.2195, inclusive, **and sections 2 to 6, inclusive, of this act**, unless the context requires otherwise:

1. "Department" means the Department of Administration.
2. "Director" means the Director of the Department.

Sec. 9. NRS 232.213 is hereby amended to read as follows:

232.213 1. The Department of Administration is hereby created.

2. The Department consists of a Director and the following : ~~divisions:~~

- (a) Budget Division.
- (b) Risk Management Division.
- (c) Hearings Division, which consists of hearing officers, compensation officers and appeals officers.
- (d) Buildings and Grounds Division.
- (e) Purchasing Division.
- (f) Administrative Services Division.
- (g) Division of Internal Audits.

(h) Office of Grant Procurement, Coordination and Management.

3. The Director may establish a Motor Pool Division or may assign the functions of the State Motor Pool to one of the other divisions of the Department.

Sec. 10. NRS 232.215 is hereby amended to read as follows:

232.215 The Director:

1. Shall appoint a Chief of the:
 - (a) Risk Management Division;
 - (b) Buildings and Grounds Division;
 - (c) Purchasing Division;
 - (d) Administrative Services Division;
 - (e) Division of Internal Audits; ~~and~~

(f) *Office of Grant Procurement, Coordination and Management; and*

(g) Motor Pool Division, if separately established.

2. Shall appoint a Chief of the Budget Division, or may serve in this position if the Director has the qualifications required by NRS 353.175.

3. Shall serve as Chief of the Hearings Division and shall appoint the hearing officers and compensation officers. The Director may designate one of the appeals officers in the Division to supervise the administrative, technical and procedural activities of the Division.

4. Is responsible for the administration, through the divisions of the Department, of the provisions of chapters 331, 333 and 336 of NRS, NRS 353.150 to 353.246, inclusive, and 353A.031 to 353A.100, inclusive, and all other provisions of law relating to the functions of the divisions of the Department.

5. Is responsible for the administration of the laws of this State relating to the negotiation and procurement of medical services and other benefits for state agencies.

6. Has such other powers and duties as are provided by law.

Sec. 11. NRS 232.2165 is hereby amended to read as follows:

232.2165 1. The Chief of:

(a) The Buildings and Grounds Division;

(b) The Purchasing Division;

(c) The Administrative Services Division;

(d) The Division of Internal Audits; and

(e) If separately established, the Motor Pool Division,

↪ of the Department serves at the pleasure of the Director, but, except as otherwise provided in subsection 2, for all purposes except removal is in the classified service of the State.

2. The Chief of the Motor Pool Division, if separately established, and the Chief of the Division of Internal Audits are in the unclassified service of the State.

3. *The Chief of the Office of Grant Procurement, Coordination and Management is in the unclassified service of the State and serves at the pleasure of the Director.*

Sec. 11.1. Chapter 353 of NRS is hereby amended by adding thereto the provisions set forth as sections 11.3 and 11.5 of this act.

Sec. 11.3. If a public hearing is required in connection with a grant from the Federal Government to a state agency, commission or department, the agency, commission or department may:

1. Request that the hearing be included as an item on the agenda of a meeting of the Interim Finance Committee; or

2. Conduct the hearing in accordance with chapter 241 of NRS.

Sec. 11.5. A department, institution or agency of the Executive Department of the State Government that receives a grant for a program which requires the approval of the Interim Finance Committee and which requires the department, institution or agency to take action to carry out

the program, including, without limitation, classifying positions, recruiting for positions, advertising for bids and requesting proposals, may begin to carry out the program before obtaining that approval if the department, institution or agency includes a statement in any notice or advertisement that the position or contract is contingent upon the approval of the Interim Finance Committee.

Sec. 11.7. NRS 353.220 is hereby amended to read as follows:

353.220 1. The head of any department, institution or agency of the Executive Department of the State Government, whenever he or she deems it necessary because of changed conditions, may request the revision of the work program of his or her department, institution or agency at any time during the fiscal year, and submit the revised program to the Governor through the Chief with a request for revision of the allotments for the remainder of that fiscal year.

2. Every request for revision must be submitted to the Chief on the form and with supporting information as the Chief prescribes.

3. Before encumbering any appropriated or authorized money, every request for revision must be approved or disapproved in writing by the Governor or the Chief, if the Governor has by written instrument delegated this authority to the Chief.

4. Whenever a request for the revision of a work program of a department, institution or agency in an amount more than ~~[\$20,000]~~ **\$30,000** would, when considered with all other changes in allotments for that work program made pursuant to NRS 353.215 and subsections 1, 2 and 3 of this section, increase or decrease by 10 percent or ~~[\$50,000]~~ **\$75,000**, whichever is less, the expenditure level approved by the Legislature for any of the allotments within the work program, the request must be approved as provided in subsection 5 before any appropriated or authorized money may be encumbered for the revision.

5. If a request for the revision of a work program requires additional approval as provided in subsection 4 and:

(a) Is necessary because of an emergency as defined in NRS 353.263 or for the protection of life or property, the Governor shall take reasonable and proper action to approve it and shall report the action, and his or her reasons for determining that immediate action was necessary, to the Interim Finance Committee at its first meeting after the action is taken. Action by the Governor pursuant to this paragraph constitutes approval of the revision, and other provisions of this chapter requiring approval before encumbering money for the revision do not apply.

(b) The Governor determines that the revision is necessary and requires expeditious action, he or she may certify that the request requires expeditious action by the Interim Finance Committee. Whenever the Governor so certifies, the Interim Finance Committee has 15 days after the request is submitted to its Secretary within which to consider the revision. Any request

for revision which is not considered within the 15-day period shall be deemed approved.

(c) Does not qualify pursuant to paragraph (a) or (b), it must be submitted to the Interim Finance Committee. The Interim Finance Committee has 45 days after the request is submitted to its Secretary within which to consider the revision. Any request which is not considered within the 45-day period shall be deemed approved.

6. The Secretary shall place each request submitted pursuant to paragraph (b) or (c) of subsection 5 on the agenda of the next meeting of the Interim Finance Committee.

7. In acting upon a proposed revision of a work program, the Interim Finance Committee shall consider, among other things:

(a) The need for the proposed revision; and

(b) The intent of the Legislature in approving the budget for the present biennium and originally enacting the statutes which the work program is designed to effectuate.

Sec. 11.9. NRS 353.335 is hereby amended to read as follows:

353.335 1. Except as otherwise provided in subsections 5 and 6, a state agency may accept any gift or grant of property or services from any source only if it is included in an act of the Legislature authorizing expenditures of nonappropriated money or, when it is not so included, if it is approved as provided in subsection 2.

2. If:

(a) Any proposed gift or grant is necessary because of an emergency as defined in NRS 353.263 or for the protection or preservation of life or property, the Governor shall take reasonable and proper action to accept it and shall report the action and his or her reasons for determining that immediate action was necessary to the Interim Finance Committee at its first meeting after the action is taken. Action by the Governor pursuant to this paragraph constitutes acceptance of the gift or grant, and other provisions of this chapter requiring approval before acceptance do not apply.

(b) The Governor determines that any proposed gift or grant would be forfeited if the State failed to accept it before the expiration of the period prescribed in paragraph (c), the Governor may declare that the proposed acceptance requires expeditious action by the Interim Finance Committee. Whenever the Governor so declares, the Interim Finance Committee has 15 days after the proposal is submitted to its Secretary within which to approve or deny the acceptance. Any proposed acceptance which is not considered within the 15-day period shall be deemed approved.

(c) The proposed acceptance of any gift or grant does not qualify pursuant to paragraph (a) or (b), it must be submitted to the Interim Finance Committee. The Interim Finance Committee has 45 days after the proposal is submitted to its Secretary within which to consider acceptance. Any proposed acceptance which is not considered within the 45-day period shall be deemed approved.

3. The Secretary shall place each request submitted to the Secretary pursuant to paragraph (b) or (c) of subsection 2 on the agenda of the next meeting of the Interim Finance Committee.

4. In acting upon a proposed gift or grant, the Interim Finance Committee shall consider, among other things:

- (a) The need for the facility or service to be provided or improved;
- (b) Any present or future commitment required of the State;
- (c) The extent of the program proposed; and
- (d) The condition of the national economy, and any related fiscal or monetary policies.

5. A state agency may accept:

(a) Gifts, including grants from nongovernmental sources, not exceeding ~~[\$10,000]~~ \$20,000 each in value; and

(b) Governmental grants not exceeding ~~[\$100,000]~~ \$150,000 each in value,

↳ if the gifts or grants are used for purposes which do not involve the hiring of new employees and if the agency has the specific approval of the Governor or, if the Governor delegates this power of approval to the Chief of the Budget Division of the Department of Administration, the specific approval of the Chief.

6. This section does not apply to:

(a) The Nevada System of Higher Education;

(b) The Department of Health and Human Services while acting as the state health planning and development agency pursuant to paragraph (d) of subsection 2 of NRS 439A.081 or for donations, gifts or grants to be disbursed pursuant to NRS 433.395; or

(c) Artifacts donated to the Department of Cultural Affairs.

~~Sec. 12. [The Chief of the Office of Grant Procurement, Coordination and Management established pursuant to NRS 232.213, as amended by section 9 of this act, shall:~~

~~1. Develop suggestions and proposals for establishing an incentive system to encourage businesses to apply for grants to develop projects in this State pursuant to paragraph (i) of subsection 1 of section 3 of this act; and~~

~~2. On or before January 1, 2013, and in addition to or together with the report required pursuant to paragraph (j) of subsection 1 of section 3 of this act, submit a report setting forth those suggestions and proposals for establishing an incentive system, together with any suggestions for legislation, to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.] (Deleted by amendment.)~~

Sec. 12.5. NRS 353.345 is hereby repealed.

Sec. 13. This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTION

353.345 Approval of Interim Finance Committee required for allocation of money received under federal block grant. Whenever

federal funding in the form of a categorical grant of a specific program administered by a state agency, commission or department is terminated and incorporated into a block grant from the Federal Government to the State of Nevada, the state agency, commission or department must obtain the approval of the Interim Finance Committee in order to allocate the money received from any block grant.

Assemblywoman Bustamante Adams moved the adoption of the amendment.

Amendment adopted.

Bill ordered reprinted, reengrossed, and to third reading.

INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 231.

Assemblyman Conklin moved that the bill be referred to the Committee on Judiciary.

Motion carried.

REPORTS OF COMMITTEES

Mr. Speaker:

Your Committee on Ways and Means, to which was rereferred Assembly Bill No. 331, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Ways and Means, to which were rereferred Assembly Bills Nos. 74, 245, 402, 404, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass, as amended.

DEBBIE SMITH, *Chair*

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Assembly Bills Nos. 74, 245, 331, 402, and 404, just reported out of committee, be placed at the top of the General File.

Motion carried.

Assemblyman Conklin moved that Assembly Bill No. 331 be taken from the General File and placed on the Chief Clerk's desk.

Motion carried.

Mr. Speaker announced if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 3:29 p.m.

ASSEMBLY IN SESSION

At 3:31p.m.

Mr. Speaker presiding.

Quorum present.

GENERAL FILE AND THIRD READING

Assembly Bill No. 74.

Bill read third time.

Remarks by Assemblywoman Carlton.

Roll call on Assembly Bill No. 74:

YEAS—42.

NAYS—None.

Assembly Bill No. 74 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 245.

Bill read third time.

Remarks by Assemblyman Stewart.

Roll call on Assembly Bill No. 245:

YEAS—42.

NAYS—None.

Assembly Bill No. 245 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 402.

Bill read third time.

Remarks by Assemblywoman Smith.

Roll call on Assembly Bill No. 402:

YEAS—41.

NAYS—None.

EXCUSED—Hammond.

Assembly Bill No. 402 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 404.

Bill read third time.

Remarks by Assemblywoman Smith.

Roll call on Assembly Bill No. 404:

YEAS—41.

NAYS—Livermore.

Assembly Bill No. 404 having received a constitutional majority,
Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Bills Nos. 77, 88, 102, 112, 132, 213, 236, 259, 292, 299, 411, 414, 417, 430, and 445 be taken from their position on the General File and placed at the top of the General File.

Motion carried.

Assemblyman Atkinson moved that Senate Bill No. 135 be taken from the General File and placed on the Chief Clerk's desk.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 77.

Bill read third time.

Roll call on Senate Bill No. 77:

YEAS—40.

NAYS—Goedhart, Livermore—2.

Senate Bill No. 77 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 88.

Bill read third time.

Roll call on Senate Bill No. 88:

YEAS—42.

NAYS—None.

Senate Bill No. 88 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 102.

Bill read third time.

Roll call on Senate Bill No. 102:

YEAS—38.

NAYS—Ellison, Hansen, Hardy, McArthur—4.

Senate Bill No. 102 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 112.

Bill read third time.

Roll call on Senate Bill No. 112:

YEAS—42.

NAYS—None.

Senate Bill No. 112 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 132.

Bill read third time.

Roll call on Senate Bill No. 132:

YEAS—42.

NAYS—None.

Senate Bill No. 132 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 213.

Bill read third time.

Roll call on Senate Bill No. 213:

YEAS—42.

NAYS—None.

Senate Bill No. 213 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 236.

Bill read third time.

Roll call on Senate Bill No. 236:

YEAS—42.

NAYS—None.

Senate Bill No. 236 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 259.

Bill read third time.

Roll call on Senate Bill No. 259:

YEAS—42.

NAYS—None.

Senate Bill No. 259 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 292.

Bill read third time.

Roll call on Senate Bill No. 292:

YEAS—30.

NAYS—Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hammond, Hansen, Kirner, Kite, Livermore, McArthur, Sherwood—12.

Senate Bill No. 292 having received a two-thirds majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 299.

Bill read third time.

Roll call on Senate Bill No. 299:

YEAS—31.

NAYS—Ellison, Goedhart, Goicoechea, Grady, Hambrick, Hansen, Hardy, Hickey, Kirner, Sherwood, Woodbury—11.

Senate Bill No. 299 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 411.

Bill read third time.

Roll call on Senate Bill No. 411:

YEAS—42.

NAYS—None.

Senate Bill No. 411 having received a two-thirds majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 414.

Bill read third time.

Roll call on Senate Bill No. 414:

YEAS—42.

NAYS—None.

Senate Bill No. 414 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Senate Bill No. 417.

Bill read third time.

Roll call on Senate Bill No. 417:

YEAS—32.

NAYS—Ellison, Hambrick, Hammond, Hansen, Hardy, Kirner, Livermore, McArthur, Sherwood, Stewart—10.

Senate Bill No. 417 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 430.

Bill read third time.

Roll call on Senate Bill No. 430:

YEAS—42.

NAYS—None.

Senate Bill No. 430 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

Senate Bill No. 445.

Bill read third time.

Roll call on Senate Bill No. 445:

YEAS—42.

NAYS—None.

Senate Bill No. 445 having received a two-thirds majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Bill No. 205 be taken from its position on the General File and placed at the top of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 205.

Bill read third time.

Roll call on Senate Bill No. 205:

YEAS—42.

NAYS—None.

Senate Bill No. 205 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Conklin moved that Senate Bills Nos. 18, 19, 30, 40, 94, 99, 125, 142, 143, 149, 150, 159, 186, 191, 194, 200, 215, 223, 267, 293, 294, 309, 315, 329, 348, 361, 365, 376, 403, 405, and 436 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

UNFINISHED BUSINESS

RECEDE FROM ASSEMBLY AMENDMENTS

Assemblyman Atkinson moved that the Assembly do not recede from its action on Senate Bill No. 193, that a conference be requested, and that Mr. Speaker appoint a first Conference Committee consisting of three members to meet with a like committee of the Senate.

Remarks by Assemblyman Atkinson.

Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Carlton, Atkinson, and Grady as a Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 193.

CONSIDERATION OF SENATE AMENDMENTS

Assembly Bill No. 20.

The following Senate amendment was read:

Amendment No. 618.

AN ACT relating to optometry; requiring the Nevada State Board of Optometry to issue a license by endorsement to practice optometry in this State in certain circumstances; revising provisions governing the examination for licensure by the Board; revising provisions governing the discipline and unprofessional or unethical conduct of licensees; repealing provisions that require the Board to maintain a roster of licensees; repealing provisions that pertain to the scope of reexaminations for licensure; establishing fees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires each applicant for a license to practice optometry in this State to take and pass an examination prepared and administered by the Nevada State Board of Optometry or by a testing agency that has been designated by the Board. The examination must test the fitness of an applicant to practice optometry and include testing of the applicant's knowledge of statutes and regulations governing the practice of optometry. (NRS 636.150, 636.180, 636.185) Other states have enacted legislation creating exceptions from general licensure provisions which allow certain qualified persons who are licensed in another jurisdiction to receive a license to practice optometry without requiring the licensee to take an examination that is designed to evaluate competency to practice optometry. However, existing law in this State does not authorize such an exception.

Section 2 of this bill provides for the issuance of a license by endorsement to practice optometry and requires the Board to issue a license by endorsement to certain qualified applicants who are licensed to practice optometry in the District of Columbia or other states or territories and who have been continuously and actively engaged in the practice of optometry for the 5 years immediately preceding the date on which they apply to the Board for the issuance of a license by endorsement. **Section 7** of this bill requires an applicant for a license by endorsement to take and pass an examination, but **section 3** of this bill provides that the examination must test only the applicant's knowledge of statutes and regulations governing the practice of optometry in this State. **Section 5** of this bill establishes the fees which must be paid by an applicant for the examination for a license by endorsement and for the issuance and renewal of a license by endorsement.

Section 10 of this bill revises provisions governing the score required to pass the examinations, and **sections 6, 8, 9, 11 and 12** of this bill make certain revisions to distinguish between the examination for and issuance of a license to practice optometry and a license by endorsement.

Existing law also defines the scope of the practice of optometry in this State and authorizes the Board to discipline licensees for certain acts or omissions and determine what acts constitute unethical or unprofessional conduct by licensees. (NRS 636.025, 636.130, 636.290-636.340) **Section 4.5 of this bill provides that a license to practice optometry does not authorize an optometrist to engage in acts or perform procedures which are not authorized by law.** **Section 13** of this bill authorizes the Board to discipline licensees for the commission of a felony ~~or~~ or for conduct that demonstrates incompetency in the practice of optometry ~~or for practicing or offering to practice optometry outside the scope of practice authorized by law.~~ **Sections 14 and 15** of this bill revise provisions pertaining to unprofessional or unethical conduct relating to the use of prescription blanks and the sale, solicitation or advertisement of certain products and services.

Section 16 of this bill repeals provisions requiring the Board to maintain a roster of licensees and authorizing the Board to determine the scope of reexaminations for licensure.

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

Section 1. Chapter 636 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *The Board shall, except for good cause, issue a license by endorsement to practice optometry to an applicant who has been issued a license to practice optometry by the District of Columbia or any state or territory of the United States if:*

(a) At the time the applicant files an application with the Board, the license issued to the applicant by the District of Columbia or the other state or territory of the United States is in effect and unrestricted; and

(b) The applicant:

(1) Has obtained a passing score on an examination for licensure that is recognized by the Board as an appropriate examination to assess competency in the practice of optometry;

(2) Has had no adverse actions reported to the National Practitioner Data Bank within the 5 years immediately preceding the date of the application;

(3) Has been continuously and actively engaged in the practice of optometry for the 5 years immediately preceding the date of the application;

(4) Is not involved in and does not have pending any disciplinary action concerning a license to practice optometry in the District of Columbia or any state or territory of the United States;

(5) Provides information to the Board about any malpractice claim that has been brought against the applicant, regardless of when the claim was filed or how the claim was resolved;

(6) Obtains a passing score on the examination for licensure by endorsement administered by the Board pursuant to NRS 636.170; and

(7) Pays the fee required by NRS 636.143.

2. *A license by endorsement may be issued at a meeting of the Board or between its meetings by the President and Executive Director. Such action shall be deemed to be an action of the Board.*

Sec. 3. *An examination for licensure by endorsement must:*

1. Test only the examinee's knowledge of statutes and regulations governing the practice of optometry in this State;

2. Be prepared and administered by the Board or a testing agency that has been designated by the Board to conduct its examinations; and

3. Be conducted in the English language.

Sec. 4. (Deleted by amendment.)

Sec. 4.5. NRS 636.025 is hereby amended to read as follows:

636.025 1. The acts set forth in this ~~section,~~ subsection, or any of them, whether done severally, collectively or in combination with other acts

that are not set forth in this ~~section~~ **subsection** constitute practice in optometry within the purview of this chapter:

- (a) Advertisement or representation as an optometrist.
- (b) Adapting, or prescribing or dispensing, without prescription by a practitioner of optometry or medicine licensed in this State, any ophthalmic lens, frame or mounting, or any part thereof, for correction, relief or remedy of any abnormal condition or insufficiency of the eye or any appendage or visual process. The provisions of this paragraph do not prevent an optical mechanic from doing the mere mechanical work of replacement or duplication of the ophthalmic lens or prevent a licensed dispensing optician from engaging in the practice of ophthalmic dispensing.
- (c) The examination of the human eye and its appendages, the measurement of the powers or range of human vision, the determination of the accommodative and refractive states of the eye or the scope of its function in general, or the diagnosis or determination of any visual, muscular, neurological, interpretative or anatomic anomalies or deficiencies of the eye or its appendages or visual processes.
- (d) Prescribing, directing the use of or using any optical device in connection with ocular exercises, orthoptics or visual training.
- (e) The prescribing of contact lenses.
- (f) The measurement, fitting or adaptation of contact lenses to the human eye except under the direction and supervision of a physician, surgeon or optometrist licensed in the State of Nevada.
- (g) The topical use of diagnostic pharmaceutical agents to determine any visual, muscular, neurological, interpretative or anatomic anomalies or deficiencies of the eye or its appendages or visual processes.
- (h) Prescribing, directing the use of or using a therapeutic pharmaceutical agent to treat an abnormality of the eye or its appendages.
- (i) Removing a foreign object from the surface or epithelium of the eye.
- (j) The ordering of laboratory tests to assist in the diagnosis of an abnormality of the eye or its appendages.

2. The provisions of ~~this section~~ **subsection 1** do not authorize an optometrist to engage in any practice which includes:

- (a) The incision or suturing of the eye or its appendages; or
- (b) The use of lasers for surgical purposes.

3. A license to practice optometry issued pursuant to this chapter does not authorize an optometrist to engage in any act or perform any procedure which is not authorized by this chapter or the regulations adopted pursuant thereto.

Sec. 5. NRS 636.143 is hereby amended to read as follows:

636.143 The Board shall establish within the limits prescribed a schedule of fees for the following purposes:

	Not less than	Not more than
Examination, <i>including examination for license</i>		
<i>by endorsement</i>	\$100	\$500

Reexamination , <i>including reexamination for license by endorsement</i>	100	500
Issuance of each license or duplicate license, <i>including a license by endorsement</i>	35	75
Renewal of each license or duplicate license, <i>including a license by endorsement</i>	100	500
Issuance of a license for an extended clinical Facility.....	100	500
Issuance of a replacement renewal card for a license.....	10	50

Sec. 6. NRS 636.150 is hereby amended to read as follows:

636.150 ~~Any~~ ***Except as otherwise provided in section 2 of this act, any person applying for a license to practice optometry in this State must:***

1. File proof of his or her qualifications;
2. Make application for an examination;
3. Take and pass the examination;
4. Pay the prescribed fees; and
5. Verify that all the information he or she has provided to the Board or to any other entity pursuant to the provisions of this chapter is true and correct.

Sec. 7. NRS 636.170 is hereby amended to read as follows:

636.170 The Board shall ~~[-~~

~~1. Conduct a regular annual examination, and may conduct a special examination when it deems that circumstances warrant such examination.~~

~~2. Fix and announce the time and place of any examination at least 30 days prior to the day when it is to be commenced.]~~ ***conduct an examination of each applicant for licensure and each applicant for licensure by endorsement by the Board. The examination must be administered at a time and place designated by the Board.***

Sec. 8. NRS 636.180 is hereby amended to read as follows:

636.180 An examination ***other than an examination for licensure by endorsement*** must:

1. Be practical in character and design as determined by the Board;
2. Test the fitness of the examinee to practice optometry;
3. Be prepared and administered by the Board or a testing agency that has been designated by the Board to conduct its examinations; and
4. Be conducted in the English language.

Sec. 9. NRS 636.185 is hereby amended to read as follows:

636.185 1. An examination, other than ~~one~~ ***an examination*** conducted solely for reexamination of an examinee who has failed in a previous examination ~~[-]~~ ***or an examination for licensure by endorsement,*** must include testing in the following areas:

- (a) General anatomy.
- (b) General physiology.
- (c) Ocular anatomy.

- (d) Ocular physiology.
- (e) Ocular pathology.
- (f) Geometric optics.
- (g) Physiological optics.
- (h) Theoretical optometry.
- (i) Practical optometry.
- (j) Retinoscopy and ophthalmic instruments.
- (k) Ophthalmoscopy and biomicroscopy.
- (l) Neurology, visual fields and perimetry.
- (m) Vision therapy.
- (n) Clinical optometry.
- (o) Contact lenses.
- (p) Pharmacology.
- (q) Statutes and regulations governing the practice of optometry.
- (r) Such other areas as the Board may prescribe.

2. An examination, *other than an examination conducted solely for reexamination of an examinee who has failed in a previous examination or an examination for licensure by endorsement*, must also provide for an evaluation of the examinee's knowledge of the following areas:

- (a) Basic science.
- (b) Clinical science.
- (c) Care and management of patients.

Sec. 10. NRS 636.190 is hereby amended to read as follows:

636.190 Except as otherwise provided in NRS 622.090, a grade of 75 or higher ~~for each area tested on the examination~~ is required to pass an examination.

Sec. 11. NRS 636.215 is hereby amended to read as follows:

636.215 The Board shall execute a license *other than a license by endorsement* for each person who has satisfied the requirements of NRS 636.150 and submitted all information required to complete an application for a license. A license must:

- 1. Certify that the licensee has been examined and found qualified to practice optometry in this State; and
- 2. Be signed by each member of the Board.

Sec. 12. NRS 636.220 is hereby amended to read as follows:

636.220 ~~The~~ A license *executed pursuant to NRS 636.215* must be issued and delivered by the Executive Director to the licensee upon payment to the Executive Director of the prescribed fee.

Sec. 13. NRS 636.295 is hereby amended to read as follows:

636.295 The following acts, conduct, omissions, or mental or physical conditions, or any of them, committed, engaged in, omitted, or being suffered by a licensee, constitute sufficient cause for disciplinary action:

- 1. Affliction of the licensee with any communicable disease ~~likely to~~ *which may* be communicated to other persons.

2. Commission by the licensee of a felony ~~relating to the practice of optometry~~ or of a gross misdemeanor involving moral turpitude of which the licensee has been convicted and from which he or she has been sentenced by a final judgment of a federal or state court in this or any other state, the judgment not having been reversed or vacated by a competent appellate court and the offense not having been pardoned by executive authority.

3. Conviction of any of the provisions of NRS 616D.200, 616D.220, 616D.240 or 616D.300 to 616D.440, inclusive.

4. Commission of fraud by or on behalf of the licensee in obtaining a license or a renewal thereof, or in practicing optometry thereunder.

5. Habitual drunkenness or addiction to any controlled substance.

6. ~~Gross incompetency.~~ **Incompetency in the practice of optometry or conduct which demonstrates a significant lack of ability, knowledge or fitness to discharge a professional obligation in the practice of optometry.**

7. Affliction with any mental or physical disorder or disturbance ~~seriously impairing~~ **which impairs** his or her competency as an optometrist.

8. Making false or misleading representations, by or on behalf of the licensee, with respect to optometric materials or services.

9. Practice by the licensee, or attempting or offering so to do, while in an intoxicated condition.

10. Perpetration of unethical or unprofessional conduct in the practice of optometry.

11. Any violation of the provisions of this chapter or any regulations adopted pursuant thereto.

12. ~~Practicing or offering to practice optometry outside the scope of practice authorized by law.~~

~~13.~~ Operation of a medical facility, as defined in NRS 449.0151, at any time during which:

(a) The license of the facility is suspended or revoked; or

(b) An act or omission occurs which results in the suspension or revocation of the license pursuant to NRS 449.160.

↪ This subsection applies to an owner or other principal responsible for the operation of the facility.

Sec. 14. NRS 636.300 is hereby amended to read as follows:

636.300 The following acts, among others, constitute unethical or unprofessional conduct:

1. Association as an optometrist with any person, firm or corporation violating this chapter.

2. Accepting employment ~~as an optometrist or in the practice of optometry~~, directly or indirectly, from a person not licensed to practice optometry in this State, ~~to assist the person in such practice or enabling the person to engage therein,~~ except as authorized in NRS 636.347.

3. Signing **or using** the prescription blanks of another optometrist, **ophthalmologist or medical professional** or allowing another optometrist,

ophthalmologist or medical professional to *sign or* use his or her prescription blanks.

4. Except as otherwise provided in NRS 636.372 and 636.373, practicing in or on premises where any materials other than those necessary to render optometric examinations or services are dispensed to the public, or where a business is being conducted not exclusively devoted to optometry or other healing arts and materials or merchandise are displayed having no relation to the practice of optometry or other healing arts.

Sec. 15. NRS 636.302 is hereby amended to read as follows:

636.302 The following acts, among others, constitute unethical or unprofessional conduct:

1. Making a house-to-house canvass, either in person or by another person, for advertising, selling or soliciting the sale of *contact lenses*, eyeglasses, frames, lenses, mountings, or optometric examinations or services.

2. Circulating or publishing, directly or indirectly, any false, fraudulent or misleading statement as to optometric materials or services, his or her method of practice or skill, or the method of practice or skill of any other licensee.

3. Advertising in any manner that will tend to deceive, defraud or mislead the public.

~~[4. Advertising, directly or indirectly, free optometric examinations or services.]~~

Sec. 16. NRS 636.120 and 636.200 are hereby repealed.

Sec. 17. This act becomes effective upon passage and approval for the purpose of adopting regulations and on October 1, 2011, for all other purposes.

TEXT OF REPEALED SECTIONS

636.120 Roster of licensees: Preparation and distribution. Once each year, the Board shall prepare and distribute to all licensees a roster containing their names and addresses.

636.200 Scope of reexamination. An examinee whose request for reexamination has been granted may, at the discretion of the Board or the testing agency designated by the Board to conduct its examinations, be required to retake:

1. The entire examination; or
2. Only the section or sections of the examination on which the examinee did not receive the grade required to pass.

Assemblyman Atkinson moved that the Assembly do not concur in the Senate amendment to Assembly Bill No. 20.

Remarks by Assemblyman Atkinson.

Motion carried by a constitutional majority.

Bill ordered to Senate.

Assembly Bill No. 456.

The following Senate amendment was read:

Amendment No. 763.

AN ACT relating to education; authorizing certain pupils to receive a standard high school diploma without passing all subject areas of the high school proficiency examination under certain circumstances; authorizing the board of trustees of a school district to adopt a policy that allows certain pupils enrolled in high school the opportunity to make up credit; authorizing a juvenile court to impose certain orders against the parent or legal guardian of a child who is adjudicated in need of supervision because the child is a habitual truant; revising provisions governing employment of minors; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prescribes a standard high school diploma and an adjusted diploma and requires that to receive a standard high school diploma, a pupil must satisfy the requirements for graduation from high school and either pass the high school proficiency examination in its entirety or fail to pass certain subject areas on the examination and satisfy certain alternative criteria prescribed by the State Board of Education. (NRS 389.805) **Section 5** of this bill provides that a pupil who has failed to pass the same subject area of the high school proficiency examination each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate, may receive a standard high school diploma if the pupil obtained a cumulative score that meets the required cumulative score prescribed by the State Board and also satisfies certain additional conditions. **Section 5** also removes the satisfaction of the existing alternative criteria as a means by which a pupil may receive a standard high school diploma. **Section 9.5** of this bill requires the board of trustees of each school district, on or before December 31, 2012, to submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report on the number of pupils who were awarded a standard high school diploma pursuant to the criteria prescribed by **section 5**.

Section 6 of this bill authorizes school districts to adopt a policy that allows a high school pupil who has failed to comply with minimum attendance requirements the opportunity to make up the credits which the pupil missed during his or her absence.

Existing law prescribes the actions which must be taken by a juvenile court against a child who has been adjudicated in need of supervision because the child is a habitual truant. (NRS 62E.430) **Section 7** of this bill authorizes a juvenile court to order the parent or legal guardian of such a child to attend conferences with the child's teacher and appropriate school administrators to address the status of the child as a habitual truant and to develop a plan to ensure that the child attends school.

Section 8 of this bill authorizes the parent or legal guardian of a child between the ages of 16 and 18 years to indicate on a work permit that is issued to the child by the county, if any, the maximum number of hours that his or her child may work and the particular hours in which that work may occur during the week or on the weekend.

Existing law provides that a child under the age of 16 years may be employed in certain occupations for not more than 48 hours in any 1 week and 8 hours in any 1 day. (NRS 609.240) **Section 9** of this bill revises the hours that a child may be employed to 20 hours in any 1 week when school is in session and 48 hours in any 1 week when school is not in session.

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

Section 1. NRS 385.3469 is hereby amended to read as follows:

385.3469 1. The State Board shall prepare an annual report of accountability that includes, without limitation:

(a) Information on the achievement of all pupils based upon the results of the examinations administered pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(b) Except as otherwise provided in subsection 2, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:

(1) Pupils who are economically disadvantaged, as defined by the State Board;

(2) Pupils from major racial and ethnic groups, as defined by the State Board;

(3) Pupils with disabilities;

(4) Pupils who are limited English proficient; and

(5) Pupils who are migratory children, as defined by the State Board.

(c) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.

(d) The percentage of all pupils who were not tested, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(e) Except as otherwise provided in subsection 2, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in paragraph (b).

(f) The most recent 3-year trend in the achievement of pupils in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.

(g) Information on whether each school district has made adequate yearly progress, including, without limitation, the name of each school district, if any, designated as demonstrating need for improvement pursuant to NRS 385.377 and the number of consecutive years that the school district has carried that designation.

(h) Information on whether each public school, including, without limitation, each charter school, has made:

(1) Adequate yearly progress, including, without limitation, the name of each public school, if any, designated as demonstrating need for improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(2) Progress based upon the model adopted by the Department pursuant to NRS 385.3595, if applicable for the grade level of pupils enrolled at the school.

(i) Information on the results of pupils who participated in the examinations of the National Assessment of Educational Progress required pursuant to NRS 389.012.

(j) The ratio of pupils to teachers in kindergarten and at each grade level for all elementary schools, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school, reported for each school district and for this State as a whole.

(k) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, information on the professional qualifications of teachers employed by the school districts and charter schools, including, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total

number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(l) The total expenditure per pupil for each school district in this State, including, without limitation, each charter school in the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(m) The total statewide expenditure per pupil. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(n) For all elementary schools, junior high schools and middle schools, the rate of attendance, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(o) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(p) The attendance of teachers who provide instruction, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(q) Incidents involving weapons or violence, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(r) Incidents involving the use or possession of alcoholic beverages or controlled substances, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(s) The suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(t) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(u) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(v) The transiency rate of pupils, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. For the purposes of this paragraph, a pupil is not a transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(w) Each source of funding for this State to be used for the system of public education.

(x) A compilation of the programs of remedial study purchased in whole or in part with money received from this State that are used in each school district, including, without limitation, each charter school in the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study.

(2) An identification of each program of remedial study, listed by subject area.

(y) The percentage of pupils who graduated from a high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(z) The technological facilities and equipment available for educational purposes, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(aa) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) ~~Paragraph (a) of subsection 1 of NRS 389.805;~~ **Subsection 1** of NRS 389.805; and

(II) ~~Paragraph (b) of subsection 1 of NRS 389.805.~~ **Subsection 4 of NRS 389.805.**

(2) An adjusted diploma.

(3) A certificate of attendance.

(bb) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who failed to pass the high school proficiency examination.

(cc) The number of habitual truants who are reported to a school police officer or local law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(dd) Information on the paraprofessionals employed at public schools in this State, including, without limitation, the charter schools in this State. The information must include:

(1) The number of paraprofessionals employed, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole; and

(2) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in programs supported with Title I money and to paraprofessionals who are not employed in programs supported with Title I money.

(ee) An identification of appropriations made by the Legislature to improve the academic achievement of pupils and programs approved by the Legislature to improve the academic achievement of pupils.

(ff) A compilation of the special programs available for pupils at individual schools, listed by school and by school district, including, without limitation, each charter school in the district.

(gg) For each school district, including, without limitation, each charter school in the district and for this State as a whole, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination ~~[-]~~ ***or otherwise failed to satisfy the requirements of NRS 389.805.***

2. A separate reporting for a group of pupils must not be made pursuant to this section if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall prescribe a mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

3. The annual report of accountability must:

(a) Comply with 20 U.S.C. § 6311(h)(1) and the regulations adopted pursuant thereto;

(b) Be prepared in a concise manner; and

(c) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

4. On or before September 1 of each year, the State Board shall:

(a) Provide for public dissemination of the annual report of accountability by posting a copy of the report on the Internet website maintained by the Department; and

(b) Provide written notice that the report is available on the Internet website maintained by the Department. The written notice must be provided to the:

(1) Governor;

(2) Committee;

(3) Bureau;

(4) Board of Regents of the University of Nevada;

(5) Board of trustees of each school district; and

(6) Governing body of each charter school.

5. Upon the request of the Governor, an entity described in paragraph (b) of subsection 4 or a member of the general public, the State Board shall provide a portion or portions of the annual report of accountability.

6. As used in this section:

(a) "Highly qualified" has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(b) "Paraprofessional" has the meaning ascribed to it in NRS 391.008.

Sec. 2. NRS 385.347 is hereby amended to read as follows:

385.347 1. The board of trustees of each school district in this State, in cooperation with associations recognized by the State Board as representing licensed educational personnel in the district, shall adopt a program providing for the accountability of the school district to the residents of the district and to the State Board for the quality of the schools and the educational achievement of the pupils in the district, including, without limitation, pupils enrolled in charter schools in the school district. The board of trustees of each school district shall report the information required by subsection 2 for each charter school that is located within the school district, regardless of the sponsor of the charter school. The information for charter schools must be reported separately and must denote the charter schools sponsored by the school district, the charter schools sponsored by the State Board and the charter schools sponsored by a college or university within the Nevada System of Higher Education.

2. The board of trustees of each school district shall, on or before August 15 of each year, prepare an annual report of accountability concerning:

(a) The educational goals and objectives of the school district.

(b) Pupil achievement for each school in the district and the district as a whole, including, without limitation, each charter school in the district. The board of trustees of the district shall base its report on the results of the examinations administered pursuant to NRS 389.015 and 389.550 and shall compare the results of those examinations for the current school year with those of previous school years. The report must include, for each school in the district, including, without limitation, each charter school in the district, and each grade in which the examinations were administered:

(1) The number of pupils who took the examinations.

(2) A record of attendance for the period in which the examinations were administered, including an explanation of any difference in the number of pupils who took the examinations and the number of pupils who are enrolled in the school.

(3) Except as otherwise provided in this paragraph, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:

(I) Pupils who are economically disadvantaged, as defined by the State Board;

(II) Pupils from major racial and ethnic groups, as defined by the State Board;

(III) Pupils with disabilities;

(IV) Pupils who are limited English proficient; and

(V) Pupils who are migratory children, as defined by the State Board.

(4) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.

(5) The percentage of pupils who were not tested.

(6) Except as otherwise provided in this paragraph, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in subparagraph (3).

(7) The most recent 3-year trend in pupil achievement in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.

(8) Information that compares the results of pupils in the school district, including, without limitation, pupils enrolled in charter schools in the district, with the results of pupils throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(9) For each school in the district, including, without limitation, each charter school in the district, information that compares the results of pupils in the school with the results of pupils throughout the school district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(10) Information on whether each school in the district, including, without limitation, each charter school in the district, has made progress based upon the model adopted by the Department pursuant to NRS 385.3595.

↪ A separate reporting for a group of pupils must not be made pursuant to this paragraph if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall prescribe the mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

(c) The ratio of pupils to teachers in kindergarten and at each grade level for each elementary school in the district and the district as a whole, including, without limitation, each charter school in the district, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school in the district and the district as a whole, including, without limitation, each charter school in the district.

(d) Information on the professional qualifications of teachers employed by each school in the district and the district as a whole, including, without limitation, each charter school in the district. The information must include, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(e) The total expenditure per pupil for each school in the district and the district as a whole, including, without limitation, each charter school in the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, each school district shall use that statewide program in complying with this paragraph. If a statewide program is not available, each school district shall use its own financial analysis program in complying with this paragraph.

(f) The curriculum used by the school district, including:

(1) Any special programs for pupils at an individual school; and

(2) The curriculum used by each charter school in the district.

(g) Records of the attendance and truancy of pupils in all grades, including, without limitation:

(1) The average daily attendance of pupils, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(2) For each elementary school, middle school and junior high school in the district, including, without limitation, each charter school in the district that provides instruction to pupils enrolled in a grade level other than high school, information that compares the attendance of the pupils enrolled in the school with the attendance of pupils throughout the district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(h) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, for each such grade, for each school in the district and for the district as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(i) Records of attendance of teachers who provide instruction, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(j) Efforts made by the school district and by each school in the district, including, without limitation, each charter school in the district, to increase:

(1) Communication with the parents of pupils in the district; and

(2) The participation of parents in the educational process and activities relating to the school district and each school, including, without limitation, the existence of parent organizations and school advisory committees.

(k) Records of incidents involving weapons or violence for each school in the district, including, without limitation, each charter school in the district.

(l) Records of incidents involving the use or possession of alcoholic beverages or controlled substances for each school in the district, including, without limitation, each charter school in the district.

(m) Records of the suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467.

(n) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(o) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(p) The transiency rate of pupils for each school in the district and the district as a whole, including, without limitation, each charter school in the district. For the purposes of this paragraph, a pupil is not transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(q) Each source of funding for the school district.

(r) A compilation of the programs of remedial study that are purchased in whole or in part with money received from this State, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(2) An identification of each program of remedial study, listed by subject area.

(s) For each high school in the district, including, without limitation, each charter school in the district, the percentage of pupils who graduated from that high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education.

(t) The technological facilities and equipment available at each school, including, without limitation, each charter school, and the district's plan to incorporate educational technology at each school.

(u) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) ~~Paragraph (a) of subsection 1 of NRS 389.805~~ **Subsection 1** of NRS 389.805; and

(II) ~~Paragraph (b) of subsection 1 of NRS 389.805~~ **Subsection 4 of NRS 389.805**.

(2) An adjusted diploma.

(3) A certificate of attendance.

(v) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, the number and percentage of pupils who failed to pass the high school proficiency examination.

(w) The number of habitual truants who are reported to a school police officer or law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, for each school in the district and for the district as a whole.

(x) The amount and sources of money received for the training and professional development of teachers and other educational personnel for each school in the district and for the district as a whole, including, without limitation, each charter school in the district.

(y) Whether the school district has made adequate yearly progress. If the school district has been designated as demonstrating need for improvement pursuant to NRS 385.377, the report must include a statement indicating the number of consecutive years the school district has carried that designation.

(z) Information on whether each public school in the district, including, without limitation, each charter school in the district, has made adequate yearly progress, including, without limitation:

(1) The number and percentage of schools in the district, if any, that have been designated as needing improvement pursuant to NRS 385.3623; and

(2) The name of each school, if any, in the district that has been designated as needing improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(aa) Information on the paraprofessionals employed by each public school in the district, including, without limitation, each charter school in the district. The information must include:

(1) The number of paraprofessionals employed at the school; and

(2) The number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in positions supported with Title I money and to paraprofessionals who are not employed in positions supported with Title I money.

(bb) For each high school in the district, including, without limitation, each charter school that operates as a high school, information that provides a comparison of the rate of graduation of pupils enrolled in the high school with the rate of graduation of pupils throughout the district and throughout this State. The information required by this paragraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(cc) An identification of the appropriations made by the Legislature that are available to the school district or the schools within the district and programs approved by the Legislature to improve the academic achievement of pupils.

(dd) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination ~~or~~ ***or otherwise failed to satisfy the requirements of NRS 389.805.***

(ee) Such other information as is directed by the Superintendent of Public Instruction.

3. The records of attendance maintained by a school for purposes of paragraph (i) of subsection 2 must include the number of teachers who are in attendance at school and the number of teachers who are absent from school. A teacher shall be deemed in attendance if the teacher is excused from being present in the classroom by the school in which the teacher is employed for one of the following reasons:

(a) Acquisition of knowledge or skills relating to the professional development of the teacher; or

(b) Assignment of the teacher to perform duties for cocurricular or extracurricular activities of pupils.

4. The annual report of accountability prepared pursuant to subsection 2 must:

(a) Comply with 20 U.S.C. § 6311(h)(2) and the regulations adopted pursuant thereto; and

(b) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

5. The Superintendent of Public Instruction shall:

(a) Prescribe forms for the reports required pursuant to subsection 2 and provide the forms to the respective school districts.

(b) Provide statistical information and technical assistance to the school districts to ensure that the reports provide comparable information with respect to each school in each district and among the districts throughout this State.

(c) Consult with a representative of the:

(1) Nevada State Education Association;

(2) Nevada Association of School Boards;

(3) Nevada Association of School Administrators;

(4) Nevada Parent Teacher Association;

(5) Budget Division of the Department of Administration; and

(6) Legislative Counsel Bureau,

↪ concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

6. The Superintendent of Public Instruction may consult with representatives of parent groups other than the Nevada Parent Teacher

Association concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

7. On or before August 15 of each year, the board of trustees of each school district shall submit to each advisory board to review school attendance created in the county pursuant to NRS 392.126 the information required in paragraph (g) of subsection 2.

8. On or before August 15 of each year, the board of trustees of each school district shall:

(a) Provide written notice that the report required pursuant to subsection 2 is available on the Internet website maintained by the school district, if any, or otherwise provide written notice of the availability of the report. The written notice must be provided to the:

- (1) Governor;
- (2) State Board;
- (3) Department;
- (4) Committee; and
- (5) Bureau.

(b) Provide for public dissemination of the annual report of accountability prepared pursuant to subsection 2 in the manner set forth in 20 U.S.C. § 6311(h)(2)(E) by posting a copy of the report on the Internet website maintained by the school district, if any. If a school district does not maintain a website, the district shall otherwise provide for public dissemination of the annual report by providing a copy of the report to the schools in the school district, including, without limitation, each charter school in the district, the residents of the district, and the parents and guardians of pupils enrolled in schools in the district, including, without limitation, each charter school in the district.

9. Upon the request of the Governor, an entity described in paragraph (a) of subsection 8 or a member of the general public, the board of trustees of a school district shall provide a portion or portions of the report required pursuant to subsection 2.

10. As used in this section:

(a) "Highly qualified" has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(b) "Paraprofessional" has the meaning ascribed to it in NRS 391.008.

Sec. 3. NRS 389.015 is hereby amended to read as follows:

389.015 1. The board of trustees of each school district shall administer examinations in all public schools of the school district. The governing body of a charter school shall administer the same examinations in the charter school. The examinations administered by the board of trustees and governing body must determine the achievement and proficiency of pupils in:

- (a) Reading;
- (b) Mathematics; and
- (c) Science.

2. The examinations required by subsection 1 must be:

(a) Administered before the completion of grades 4, 7, 10 and 11.

(b) Administered in each school district and each charter school at the same time during the spring semester. The time for the administration of the examinations must be prescribed by the State Board.

(c) Administered in each school in accordance with uniform procedures adopted by the State Board. The Department shall monitor the compliance of school districts and individual schools with the uniform procedures.

(d) Administered in each school in accordance with the plan adopted pursuant to NRS 389.616 by the Department and with the plan adopted pursuant to NRS 389.620 by the board of trustees of the school district in which the examinations are administered. The Department shall monitor the compliance of school districts and individual schools with:

(1) The plan adopted by the Department; and

(2) The plan adopted by the board of trustees of the applicable school district, to the extent that the plan adopted by the board of trustees of the school district is consistent with the plan adopted by the Department.

(e) Scored by a single private entity that has contracted with the State Board to score the examinations. The private entity that scores the examinations shall report the results of the examinations in the form and by the date required by the Department.

3. Not more than 14 working days after the results of the examinations are reported to the Department by a private entity that scored the examinations, the Superintendent of Public Instruction shall certify that the results of the examinations have been transmitted to each school district and each charter school. Not more than 10 working days after a school district receives the results of the examinations, the superintendent of schools of each school district shall certify that the results of the examinations have been transmitted to each school within the school district. Except as otherwise provided in this subsection, not more than 15 working days after each school receives the results of the examinations, the principal of each school and the governing body of each charter school shall certify that the results for each pupil have been provided to the parent or legal guardian of the pupil:

(a) During a conference between the teacher of the pupil or administrator of the school and the parent or legal guardian of the pupil; or

(b) By mailing the results of the examinations to the last known address of the parent or legal guardian of the pupil.

↪ If a pupil fails the high school proficiency examination, the school shall notify the pupil and the parents or legal guardian of the pupil of each subject area that the pupil failed as soon as practicable but not later than 15 working days after the school receives the results of the examination.

4. If a pupil fails to demonstrate at least adequate achievement on the examination administered before the completion of grade 4, 7 or 10, the pupil may be promoted to the next higher grade, but the results of the pupil's examination must be evaluated to determine what remedial study is

appropriate. If such a pupil is enrolled at a school that has failed to make adequate yearly progress or in which less than 60 percent of the pupils enrolled in grade 4, 7 or 10 in the school who took the examinations administered pursuant to this section received an average score on those examinations that is at least equal to the 26th percentile of the national reference group of pupils to which the examinations were compared, the pupil must, in accordance with the requirements set forth in this subsection, complete remedial study that is determined to be appropriate for the pupil.

5. Except as otherwise provided in subsection 6, if a pupil fails to pass the high school proficiency examination, the pupil must not be graduated unless he or she:

- (a) Is able, through remedial study, to pass the proficiency examination; or
- (b) ***Failed to pass the same subject area of the proficiency examination each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate, and satisfies the requirements of subsection 4 of NRS 389.805, [Passes the subject areas of mathematics and reading tested on the proficiency examination, has at least a 2.75 grade point average on a 4.0 grading scale and satisfies the alternative criteria prescribed by the State Board pursuant to NRS 389.805.]***

↳ but the pupil may be given a certificate of attendance, in place of a diploma, if the pupil has reached the age of 18 years.

6. A pupil who transfers during grade 12 to a school in this State from a school outside this State because of the military transfer of the parent or legal guardian of the pupil may receive a waiver from the requirements of subsection 5 if, in accordance with the provisions of NRS 392C.010, the school district in which the pupil is enrolled:

- (a) Accepts the results of the exit or end-of-course examinations required for graduation in the local education agency in which the pupil was previously enrolled;
- (b) Accepts the results of a national norm-referenced achievement examination taken by the pupil; or
- (c) Establishes an alternative test for the pupil which demonstrates proficiency in the subject areas tested on the high school proficiency examination, and the pupil successfully passes that test.

7. The State Board shall prescribe standard examinations of achievement and proficiency to be administered pursuant to subsection 1. The high school proficiency examination must include the subjects of reading, mathematics and science and, except for the writing portion prescribed pursuant to NRS 389.550, must be developed, printed and scored by a nationally recognized testing company in accordance with the process established by the testing company. The examinations on reading, mathematics and science prescribed for grades 4, 7 and 10 must be selected from examinations created by private entities and administered to a national reference group, and must allow for a comparison of the achievement and proficiency of pupils in grades 4, 7 and

10 in this State to that of a national reference group of pupils in grades 4, 7 and 10. The questions contained in the examinations and the approved answers used for grading them are confidential, and disclosure is unlawful except:

(a) To the extent necessary for administering and evaluating the examinations.

(b) That a disclosure may be made to a:

(1) State officer who is a member of the Executive or Legislative Branch to the extent that it is necessary for the performance of his or her duties;

(2) Superintendent of schools of a school district to the extent that it is necessary for the performance of his or her duties;

(3) Director of curriculum of a school district to the extent that it is necessary for the performance of his or her duties; and

(4) Director of testing of a school district to the extent that it is necessary for the performance of his or her duties.

(c) That specific questions and answers may be disclosed if the Superintendent of Public Instruction determines that the content of the questions and answers is not being used in a current examination and making the content available to the public poses no threat to the security of the current examination process.

(d) As required pursuant to NRS 239.0115.

Sec. 4. NRS 389.0173 is hereby amended to read as follows:

389.0173 1. The Department shall develop an informational pamphlet concerning the high school proficiency examination for pupils who are enrolled in junior high, middle school and high school, and their parents and legal guardians. The pamphlet must include a written explanation of the:

(a) Importance of passing the examination, including, without limitation, an explanation that if the pupil fails the examination, or does not satisfy the requirements of ~~paragraph (b) of~~ subsection ~~H~~ 4 of NRS 389.805, the pupil is not eligible to receive a standard high school diploma;

(b) Subject areas tested on the examination;

(c) Format for the examination, including, without limitation, the range of items that are contained on the examination;

(d) Manner by which the scaled score, as reported to pupils and their parents or legal guardians, is derived from the raw score;

(e) Timeline by which the results of the examination must be reported to pupils and their parents or legal guardians;

(f) Maximum number of times that a pupil is allowed to take the examination if the pupil fails to pass the examination after the first administration;

(g) Courses of study that the Department recommends that pupils take to prepare the pupils to successfully meet the academic challenges of the examination and pass the examination; and

(h) Courses of study which the Department recommends that pupils take in high school to successfully prepare for the college entrance examinations.

2. The Department shall review the pamphlet on an annual basis and make such revisions to the pamphlet as it considers necessary to ensure that pupils and their parents or legal guardians fully understand the examination.

3. On or before September 1, the Department shall provide a copy of the pamphlet or revised pamphlet to the board of trustees of each school district and the governing body of each charter school that includes pupils enrolled in a junior high, middle school or high school grade level.

4. The board of trustees of each school district shall provide a copy of the pamphlet to each junior high, middle school or high school within the school district for posting. The governing body of each charter school shall ensure that a copy of the pamphlet is posted at the charter school. Each principal of a junior high, middle school, high school or charter school shall ensure that the teachers, counselors and administrators employed at the school fully understand the contents of the pamphlet.

5. On or before January 15, the:

(a) Board of trustees of each school district shall provide a copy of the pamphlet to each pupil who is enrolled in a junior high, middle school or high school of the school district and to the parents or legal guardians of such a pupil.

(b) Governing body of each charter school shall provide a copy of the pamphlet to each pupil who is enrolled in the charter school at a junior high, middle school or high school grade level and to the parents or legal guardians of such a pupil.

Sec. 5. NRS 389.805 is hereby amended to read as follows:

389.805 1. Except as otherwise provided in ~~subsection 3,~~ **subsections 3 and 4,** a pupil must receive a standard high school diploma if the pupil ~~[-~~

~~(a) Passes] passes~~ all subject areas of the high school proficiency examination administered pursuant to NRS 389.015 and otherwise satisfies the requirements for graduation from high school. ~~[- or~~

~~(b) Has failed to pass the high school proficiency examination administered pursuant to NRS 389.015 in its entirety not less than two times before beginning grade 12 and the pupil:~~

~~(1) Passes the subject areas of mathematics and reading on the proficiency examination;~~

~~(2) Has an overall grade point average of not less than 2.75 on a 4.0 grading scale;~~

~~(3) Satisfies the alternative criteria prescribed by the State Board pursuant to subsection 4; and~~

~~(4) Otherwise satisfies the requirements for graduation from high school.]~~

2. A pupil with a disability who does not satisfy the requirements for receipt of a standard high school diploma may receive a diploma designated as an adjusted diploma if the pupil satisfies the requirements set forth in his

or her individualized education program. As used in this subsection, "individualized education program" has the meaning ascribed to it in 20 U.S.C. § 1414(d)(1)(A).

3. A pupil who transfers during grade 12 to a school in this State from a school outside this State because of the military transfer of the parent or legal guardian of the pupil may receive a waiver from the requirements of ~~paragraphs (a) and (b) of subsection~~ **subsections 1 and 4** if, in accordance with the provisions of NRS 392C.010, the school district in which the pupil is enrolled:

(a) Accepts the results of the exit or end-of-course examinations required for graduation in the local education agency in which the pupil was previously enrolled;

(b) Accepts the results of a national norm-referenced achievement examination taken by the pupil; or

(c) Establishes an alternative test for the pupil which demonstrates proficiency in the subject areas tested on the high school proficiency examination, and the pupil successfully passes that test.

4. *A pupil must receive a standard high school diploma if the pupil has failed to pass the same subject area of the high school proficiency examination administered pursuant to NRS 389.015 each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate and the pupil:*

(a) Has earned sufficient credits to receive a standard high school diploma;

(b) Has an overall grade point average of not less than 2.75 on a 4.0 grading scale;

(c) Satisfies the minimum attendance requirements established by the board of trustees of the school district pursuant to NRS 392.122;

(d) Does not have any disciplinary action pending against him or her; and

(e) Has obtained a cumulative score on the high school proficiency examinations that meets the required cumulative score prescribed by the State Board, which must be calculated using the highest scores received over all instances in which the examination was taken. [The State Board shall adopt regulations that prescribe the alternative criteria for a pupil to receive a standard high school diploma pursuant to paragraph (b) of subsection 1, including, without limitation:

(a) An essay;

(b) A senior project; or

(c) A portfolio of work,

or any combination thereof, that demonstrate proficiency in the subject areas on the high school proficiency examination which the pupil failed to pass.]

Sec. 6. NRS 392.122 is hereby amended to read as follows:

392.122 1. The board of trustees of each school district shall prescribe a minimum number of days that a pupil who is subject to compulsory attendance and enrolled in a school in the district must be in attendance for the pupil to obtain credit or to be promoted to the next higher grade. The board of trustees of a school district may adopt a policy prescribing a minimum number of days that a pupil who is enrolled in kindergarten or first grade in the school district must be in attendance for the pupil to obtain credit or to be promoted to the next higher grade.

2. For the purposes of this section, the days on which a pupil is not in attendance because the pupil is absent for up to 10 days within 1 school year with the approval of the teacher or principal of the school pursuant to NRS 392.130, must be credited towards the required days of attendance if the pupil has completed course-work requirements. The teacher or principal of the school may approve the absence of a pupil for deployment activities of the parent or legal guardian of the pupil, as defined in NRS 392C.010. If the board of trustees of a school district has adopted a policy pursuant to subsection 5, the 10-day limitation on absences does not apply to absences that are excused pursuant to that policy.

3. Except as otherwise provided in ~~subsection 5,~~ **subsections 5 and 6**, before a pupil is denied credit or promotion to the next higher grade for failure to comply with the attendance requirements prescribed pursuant to subsection 1, the principal of the school in which the pupil is enrolled or the principal's designee shall provide written notice of the intended denial to the parent or legal guardian of the pupil. The notice must include a statement indicating that the pupil and the pupil's parent or legal guardian may request a review of the absences of the pupil and a statement of the procedure for requesting such a review. Upon the request for a review by the pupil and the pupil's parent or legal guardian, the principal or the principal's designee shall review the reason for each absence of the pupil upon which the intended denial of credit or promotion is based. After the review, the principal or the principal's designee shall credit towards the required days of attendance each day of absence for which:

(a) There is evidence or a written affirmation by the parent or legal guardian of the pupil that the pupil was physically or mentally unable to attend school on the day of the absence; and

(b) The pupil has completed course-work requirements.

4. A pupil and the pupil's parent or legal guardian may appeal a decision of a principal or the principal's designee pursuant to subsection 3 to the board of trustees of the school district in which the pupil is enrolled.

5. The board of trustees of a school district may adopt a policy to exempt pupils who are physically or mentally unable to attend school from the limitations on absences set forth in subsection 1. If a board of trustees adopts a policy pursuant to this subsection:

(a) A pupil who receives an exemption pursuant to this subsection is not exempt from the minimum number of days of attendance prescribed pursuant to subsection 1.

(b) The days on which a pupil is physically or mentally unable to attend school must be credited towards the required days of attendance if the pupil has completed course-work requirements.

(c) The procedure for review of absences set forth in subsection 3 does not apply to days on which the pupil is absent because the pupil is physically or mentally unable to attend school.

6. *The board of trustees of a school district may adopt a policy that allows a pupil enrolled in high school who has failed to comply with the minimum attendance requirements pursuant to subsection 1 for which he or she will be denied credit the opportunity to make up those credits. The policy must provide that such a pupil may obtain credit if the pupil is not absent from school for any additional days during the current grading period for which credit may be earned and the pupil:*

(a) Enrolls in a program in addition to the regular high school program that provides additional time and instruction for the pupil to make up the material missed due to the pupil's absences; or

(b) Passes a comprehensive examination demonstrating competence in the subject area for which the pupil would otherwise be denied credit.

↪ A pupil who does not satisfy the requirements of paragraph (a) or (b) will be denied credit, and the principal of the school shall provide notice of the intended denial pursuant to subsection 3.

7. A school shall inform the parents or legal guardian of each pupil who is enrolled in the school that the parents or legal guardian and the pupil are required to comply with the provisions governing the attendance and truancy of pupils set forth in NRS 392.040 to 392.160, inclusive, and any other rules concerning attendance and truancy adopted by the board of trustees of the school district.

Sec. 7. NRS 62E.430 is hereby amended to read as follows:

62E.430 1. If a child is adjudicated to be in need of supervision because the child is a habitual truant, the juvenile court shall:

(a) The first time the child is adjudicated to be in need of supervision because the child is a habitual truant:

(1) Order:

(I) The child to pay a fine of not more than \$100 and the administrative assessment required by NRS 62E.270 or if the parent or guardian of the child knowingly induced the child to be a habitual truant, order the parent or guardian to pay the fine and the administrative assessment; or

(II) The child to perform not less than 8 hours but not more than 16 hours of community service; and

(2) If the child is 14 years of age or older, order the suspension of the driver's license of the child for at least 30 days but not more than 6 months.

If the child does not possess a driver's license, the juvenile court shall prohibit the child from applying for a driver's license for 30 days:

(I) Immediately following the date of the order if the child is eligible to apply for a driver's license; or

(II) After the date the child becomes eligible to apply for a driver's license if the child is not eligible to apply for a driver's license.

(b) The second or any subsequent time the child is adjudicated to be in need of supervision because the child is a habitual truant:

(1) Order:

(I) The child to pay a fine of not more than \$200 and the administrative assessment required by NRS 62E.270 or if the parent or guardian of the child knowingly induced the child to be a habitual truant, order the parent or guardian to pay the fine and the administrative assessment;

(II) The child to perform not more than 10 hours of community service; or

(III) Compliance with the requirements set forth in both sub-subparagraphs (I) and (II); and

(2) If the child is 14 years of age or older, order the suspension of the driver's license of the child for at least 60 days but not more than 1 year. If the child does not possess a driver's license, the juvenile court shall prohibit the child from applying for a driver's license for 60 days:

(I) Immediately following the date of the order if the child is eligible to apply for a driver's license; or

(II) After the date the child becomes eligible to apply for a driver's license if the child is not eligible to apply for a driver's license.

2. The juvenile court may suspend the payment of a fine ordered pursuant to paragraph (a) of subsection 1 if the child attends school for 60 consecutive school days, or its equivalent in a school district operating under an alternative schedule authorized pursuant to NRS 388.090, after the imposition of the fine, or has a valid excuse acceptable to the child's teacher or the principal for any absence from school within that period.

3. The juvenile court may suspend the payment of a fine ordered pursuant to this section if the parent or guardian of a child is ordered to pay a fine by another court of competent jurisdiction in a case relating to or arising out of the same circumstances that caused the juvenile court to adjudicate the child in need of supervision.

4. The community service ordered pursuant to this section must be performed at the child's school of attendance, if practicable.

5. *If a child is adjudicated in need of supervision because the child is a habitual truant, the juvenile court may, the first time, the second time or any subsequent time the child is adjudicated to be in need of supervision because the child is a habitual truant, order the parent or legal guardian of the child to attend conferences with the child's teacher and appropriate*

school administrators to address the status of the child as a habitual truant and to develop a plan to ensure that the child attends school.

Sec. 8. Chapter 609 of NRS is hereby amended by adding thereto a new section to read as follows:

If a county requires the issuance of work permits and a work permit is issued to a child between the ages of 16 and 18 years, the parent or legal guardian of the child may indicate on the work permit the maximum number of hours that his or her child may work and specify the time periods in which that work may occur during the week and on the weekend.

Sec. 9. NRS 609.240 is hereby amended to read as follows:

609.240 1. No child under the age of 16 years may be employed, permitted or suffered to work at any gainful occupation, other than domestic service, employment as a performer in the production of a motion picture or work on a farm, more than [48]:

(a) *Twenty* hours in any 1 week [;] *when school is in session;*

(b) *Forty-eight* hours in any 1 week *when school is not in session;* or [more than 8]

(c) *Eight* hours in any 1 day.

2. The presence of a child in any establishment during working hours is prima facie evidence of employment of the child therein.

Sec. 9.5. 1. On or before December 31, 2012, the board of trustees of each school district shall submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report on the standard high school diplomas awarded to pupils pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act.

2. The report submitted pursuant to subsection 1 must include:

(a) The number of pupils who were awarded a standard high school diploma pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act;

(b) An assessment of the effectiveness of the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act, with enabling pupils to receive a standard high school diploma who would not otherwise have been eligible for such a diploma; and

(c) A determination as to whether the awarding of a standard high school diploma pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act, should continue to be a means by which pupils may receive a standard high school diploma.

Sec. 10. [~~This act becomes effective on July 1, 2011.~~]

1. The State Board of Education shall prescribe the cumulative score on the high school proficiency examination necessary to implement the provisions of paragraph (e) of subsection 4 of NRS 389.805, as amended by section 5 of this act, as soon as practicable after the effective date of section 5 of this act.

2. The State Board of Education is exempt from the provisions of chapter 233B of NRS for the purposes of prescribing the score pursuant to subsection 1 for the pupils currently enrolled in grade 12 but shall adopt a permanent regulation prescribing the score for future school years on or before January 1, 2012, pursuant to chapter 233B of NRS.

Sec. 11. 1. This section and section 5 of this act become effective upon passage and approval.

2. Sections 1 to 4, inclusive, and 6 to 10, inclusive, of this act become effective on July 1, 2011.

Assemblyman Bobzien moved that the Assembly concur in the Senate Amendment No. 763 to Assembly Bill No. 456.

Remarks by Assemblyman Bobzien.

Motion carried.

The following Senate amendment was read:

Amendment No. 623.

AN ACT relating to education; authorizing certain pupils to receive a standard high school diploma without passing all subject areas of the high school proficiency examination under certain circumstances; authorizing the board of trustees of a school district to adopt a policy that allows certain pupils enrolled in high school the opportunity to make up credit; authorizing a juvenile court to impose certain orders against the parent or legal guardian of a child who is adjudicated in need of supervision because the child is a habitual truant; revising provisions governing employment of minors; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law prescribes a standard high school diploma and an adjusted diploma and requires that to receive a standard high school diploma, a pupil must satisfy the requirements for graduation from high school and either pass the high school proficiency examination in its entirety or fail to pass certain subject areas on the examination and satisfy certain alternative criteria prescribed by the State Board of Education. (NRS 389.805) **Section 5** of this bill provides that a pupil who has failed to pass the same subject area of the high school proficiency examination ~~(not less than six times)~~ **each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate,** may receive a standard high school diploma if the pupil obtained a cumulative score that meets the required cumulative score prescribed by the State Board and also satisfies certain additional conditions. **Section 5 also removes the satisfaction of the existing alternative criteria as a means by which a pupil may receive a standard high school diploma. Section 9.5 of this bill requires the board of trustees of each school district, on or before December 31, 2012, to submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report on the number of**

pupils who were awarded a standard high school diploma pursuant to the criteria prescribed by section 5.

Section 6 of this bill authorizes school districts to adopt a policy that allows a high school pupil who has failed to comply with minimum attendance requirements the opportunity to make up the credits which the pupil missed during his or her absence.

Existing law prescribes the actions which must be taken by a juvenile court against a child who has been adjudicated in need of supervision because the child is a habitual truant. (NRS 62E.430) **Section 7** of this bill authorizes a juvenile court to order the parent or legal guardian of such a child to attend conferences with the child's teacher and appropriate school administrators to address the status of the child as a habitual truant and to develop a plan to ensure that the child attends school.

Section 8 of this bill authorizes the parent or legal guardian of a child between the ages of 16 and 18 years to indicate on a work permit that is issued to the child by the county, if any, the maximum number of hours that his or her child may work and the particular hours in which that work may occur during the week or on the weekend.

Existing law provides that a child under the age of 16 years may be employed in certain occupations for not more than 48 hours in any 1 week and 8 hours in any 1 day. (NRS 609.240) **Section 9** of this bill revises the hours that a child may be employed to 20 hours in any 1 week when school is in session and 48 hours in any 1 week when school is not in session.

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

Section 1. NRS 385.3469 is hereby amended to read as follows:

385.3469 1. The State Board shall prepare an annual report of accountability that includes, without limitation:

(a) Information on the achievement of all pupils based upon the results of the examinations administered pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(b) Except as otherwise provided in subsection 2, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:

(1) Pupils who are economically disadvantaged, as defined by the State Board;

(2) Pupils from major racial and ethnic groups, as defined by the State Board;

(3) Pupils with disabilities;

(4) Pupils who are limited English proficient; and

(5) Pupils who are migratory children, as defined by the State Board.

(c) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.

(d) The percentage of all pupils who were not tested, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(e) Except as otherwise provided in subsection 2, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in paragraph (b).

(f) The most recent 3-year trend in the achievement of pupils in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.

(g) Information on whether each school district has made adequate yearly progress, including, without limitation, the name of each school district, if any, designated as demonstrating need for improvement pursuant to NRS 385.377 and the number of consecutive years that the school district has carried that designation.

(h) Information on whether each public school, including, without limitation, each charter school, has made:

(1) Adequate yearly progress, including, without limitation, the name of each public school, if any, designated as demonstrating need for improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(2) Progress based upon the model adopted by the Department pursuant to NRS 385.3595, if applicable for the grade level of pupils enrolled at the school.

(i) Information on the results of pupils who participated in the examinations of the National Assessment of Educational Progress required pursuant to NRS 389.012.

(j) The ratio of pupils to teachers in kindergarten and at each grade level for all elementary schools, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school, reported for each school district and for this State as a whole.

(k) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, information on the professional qualifications of teachers employed by the school districts and charter schools, including, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, in this State that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(l) The total expenditure per pupil for each school district in this State, including, without limitation, each charter school in the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(m) The total statewide expenditure per pupil. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, the State Board shall use that statewide program in complying with this paragraph. If a statewide program is not

available, the State Board shall use the Department's own financial analysis program in complying with this paragraph.

(n) For all elementary schools, junior high schools and middle schools, the rate of attendance, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(o) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(p) The attendance of teachers who provide instruction, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(q) Incidents involving weapons or violence, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(r) Incidents involving the use or possession of alcoholic beverages or controlled substances, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(s) The suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(t) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(u) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(v) The transiency rate of pupils, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole. For the purposes of this paragraph, a pupil is not a transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(w) Each source of funding for this State to be used for the system of public education.

(x) A compilation of the programs of remedial study purchased in whole or in part with money received from this State that are used in each school district, including, without limitation, each charter school in the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study.

(2) An identification of each program of remedial study, listed by subject area.

(y) The percentage of pupils who graduated from a high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(z) The technological facilities and equipment available for educational purposes, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(aa) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) ~~Paragraph (a) of subsection 1 of NRS 389.805;~~ Subsection 1 of NRS 389.805; and

(II) ~~Paragraph (b) of subsection 1 of NRS 389.805~~ [~~.]~~ ~~;~~ ~~and~~

~~(III)~~ **Subsection 4 of NRS 389.805.**

(2) An adjusted diploma.

(3) A certificate of attendance.

(bb) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of pupils who failed to pass the high school proficiency examination.

(cc) The number of habitual truants who are reported to a school police officer or local law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole.

(dd) Information on the paraprofessionals employed at public schools in this State, including, without limitation, the charter schools in this State. The information must include:

(1) The number of paraprofessionals employed, reported for each school district, including, without limitation, each charter school in the district, and for this State as a whole; and

(2) For each school district, including, without limitation, each charter school in the district, and for this State as a whole, the number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in programs supported with Title I money and to paraprofessionals who are not employed in programs supported with Title I money.

(ee) An identification of appropriations made by the Legislature to improve the academic achievement of pupils and programs approved by the Legislature to improve the academic achievement of pupils.

(ff) A compilation of the special programs available for pupils at individual schools, listed by school and by school district, including, without limitation, each charter school in the district.

(gg) For each school district, including, without limitation, each charter school in the district and for this State as a whole, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination ~~or~~ **or otherwise failed to satisfy the requirements of NRS 389.805.**

2. A separate reporting for a group of pupils must not be made pursuant to this section if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall prescribe a mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

3. The annual report of accountability must:

(a) Comply with 20 U.S.C. § 6311(h)(1) and the regulations adopted pursuant thereto;

(b) Be prepared in a concise manner; and

(c) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

4. On or before September 1 of each year, the State Board shall:

(a) Provide for public dissemination of the annual report of accountability by posting a copy of the report on the Internet website maintained by the Department; and

(b) Provide written notice that the report is available on the Internet website maintained by the Department. The written notice must be provided to the:

- (1) Governor;
- (2) Committee;
- (3) Bureau;
- (4) Board of Regents of the University of Nevada;
- (5) Board of trustees of each school district; and
- (6) Governing body of each charter school.

5. Upon the request of the Governor, an entity described in paragraph (b) of subsection 4 or a member of the general public, the State Board shall provide a portion or portions of the annual report of accountability.

6. As used in this section:

(a) “Highly qualified” has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(b) “Paraprofessional” has the meaning ascribed to it in NRS 391.008.

Sec. 2. NRS 385.347 is hereby amended to read as follows:

385.347 1. The board of trustees of each school district in this State, in cooperation with associations recognized by the State Board as representing licensed educational personnel in the district, shall adopt a program providing for the accountability of the school district to the residents of the district and to the State Board for the quality of the schools and the educational achievement of the pupils in the district, including, without limitation, pupils enrolled in charter schools in the school district. The board of trustees of each school district shall report the information required by subsection 2 for each charter school that is located within the school district, regardless of the sponsor of the charter school. The information for charter schools must be reported separately and must denote the charter schools sponsored by the school district, the charter schools sponsored by the State Board and the charter schools sponsored by a college or university within the Nevada System of Higher Education.

2. The board of trustees of each school district shall, on or before August 15 of each year, prepare an annual report of accountability concerning:

(a) The educational goals and objectives of the school district.

(b) Pupil achievement for each school in the district and the district as a whole, including, without limitation, each charter school in the district. The board of trustees of the district shall base its report on the results of the examinations administered pursuant to NRS 389.015 and 389.550 and shall compare the results of those examinations for the current school year with those of previous school years. The report must include, for each school in the district, including, without limitation, each charter school in the district, and each grade in which the examinations were administered:

- (1) The number of pupils who took the examinations.
- (2) A record of attendance for the period in which the examinations were administered, including an explanation of any difference in the number of pupils who took the examinations and the number of pupils who are enrolled in the school.
- (3) Except as otherwise provided in this paragraph, pupil achievement, reported separately by gender and reported separately for the following groups of pupils:
 - (I) Pupils who are economically disadvantaged, as defined by the State Board;
 - (II) Pupils from major racial and ethnic groups, as defined by the State Board;
 - (III) Pupils with disabilities;
 - (IV) Pupils who are limited English proficient; and
 - (V) Pupils who are migratory children, as defined by the State Board.
- (4) A comparison of the achievement of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361 with the annual measurable objectives of the State Board.
- (5) The percentage of pupils who were not tested.
- (6) Except as otherwise provided in this paragraph, the percentage of pupils who were not tested, reported separately by gender and reported separately for the groups identified in subparagraph (3).
- (7) The most recent 3-year trend in pupil achievement in each subject area tested and each grade level tested pursuant to NRS 389.015 and 389.550, which may include information regarding the trend in the achievement of pupils for more than 3 years, if such information is available.
- (8) Information that compares the results of pupils in the school district, including, without limitation, pupils enrolled in charter schools in the district, with the results of pupils throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.
- (9) For each school in the district, including, without limitation, each charter school in the district, information that compares the results of pupils in the school with the results of pupils throughout the school district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.
- (10) Information on whether each school in the district, including, without limitation, each charter school in the district, has made progress based upon the model adopted by the Department pursuant to NRS 385.3595.
➤ A separate reporting for a group of pupils must not be made pursuant to this paragraph if the number of pupils in that group is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual pupil. The State Board shall

prescribe the mechanism for determining the minimum number of pupils that must be in a group for that group to yield statistically reliable information.

(c) The ratio of pupils to teachers in kindergarten and at each grade level for each elementary school in the district and the district as a whole, including, without limitation, each charter school in the district, and the average class size for each core academic subject, as set forth in NRS 389.018, for each secondary school in the district and the district as a whole, including, without limitation, each charter school in the district.

(d) Information on the professional qualifications of teachers employed by each school in the district and the district as a whole, including, without limitation, each charter school in the district. The information must include, without limitation:

(1) The percentage of teachers who are:

(I) Providing instruction pursuant to NRS 391.125;

(II) Providing instruction pursuant to a waiver of the requirements for licensure for the grade level or subject area in which the teachers are employed; or

(III) Otherwise providing instruction without an endorsement for the subject area in which the teachers are employed;

(2) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers;

(3) The percentage of classes in the core academic subjects, as set forth in NRS 389.018, that are not taught by highly qualified teachers, in the aggregate and disaggregated by high-poverty compared to low-poverty schools, which for the purposes of this subparagraph means schools in the top quartile of poverty and the bottom quartile of poverty in this State;

(4) For each middle school, junior high school and high school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level and subject area; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level and subject area; and

(5) For each elementary school:

(I) On and after July 1, 2005, the number of persons employed as substitute teachers for 20 consecutive days or more in the same classroom or assignment, designated as long-term substitute teachers, including the total number of days long-term substitute teachers were employed at each school, identified by grade level; and

(II) On and after July 1, 2006, the number of persons employed as substitute teachers for less than 20 consecutive days, designated as short-term

substitute teachers, including the total number of days short-term substitute teachers were employed at each school, identified by grade level.

(e) The total expenditure per pupil for each school in the district and the district as a whole, including, without limitation, each charter school in the district. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, each school district shall use that statewide program in complying with this paragraph. If a statewide program is not available, each school district shall use its own financial analysis program in complying with this paragraph.

(f) The curriculum used by the school district, including:

- (1) Any special programs for pupils at an individual school; and
- (2) The curriculum used by each charter school in the district.

(g) Records of the attendance and truancy of pupils in all grades, including, without limitation:

(1) The average daily attendance of pupils, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(2) For each elementary school, middle school and junior high school in the district, including, without limitation, each charter school in the district that provides instruction to pupils enrolled in a grade level other than high school, information that compares the attendance of the pupils enrolled in the school with the attendance of pupils throughout the district and throughout this State. The information required by this subparagraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(h) The annual rate of pupils who drop out of school in grade 8 and a separate reporting of the annual rate of pupils who drop out of school in grades 9 to 12, inclusive, for each such grade, for each school in the district and for the district as a whole. The reporting for pupils in grades 9 to 12, inclusive, excludes pupils who:

(1) Provide proof to the school district of successful completion of the examinations of general educational development.

(2) Are enrolled in courses that are approved by the Department as meeting the requirements for an adult standard diploma.

(3) Withdraw from school to attend another school.

(i) Records of attendance of teachers who provide instruction, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(j) Efforts made by the school district and by each school in the district, including, without limitation, each charter school in the district, to increase:

(1) Communication with the parents of pupils in the district; and

(2) The participation of parents in the educational process and activities relating to the school district and each school, including, without limitation, the existence of parent organizations and school advisory committees.

(k) Records of incidents involving weapons or violence for each school in the district, including, without limitation, each charter school in the district.

(l) Records of incidents involving the use or possession of alcoholic beverages or controlled substances for each school in the district, including, without limitation, each charter school in the district.

(m) Records of the suspension and expulsion of pupils required or authorized pursuant to NRS 392.466 and 392.467.

(n) The number of pupils who are deemed habitual disciplinary problems pursuant to NRS 392.4655, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(o) The number of pupils in each grade who are retained in the same grade pursuant to NRS 392.033 or 392.125, for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(p) The transiency rate of pupils for each school in the district and the district as a whole, including, without limitation, each charter school in the district. For the purposes of this paragraph, a pupil is not transient if the pupil is transferred to a different school within the school district as a result of a change in the zone of attendance by the board of trustees of the school district pursuant to NRS 388.040.

(q) Each source of funding for the school district.

(r) A compilation of the programs of remedial study that are purchased in whole or in part with money received from this State, for each school in the district and the district as a whole, including, without limitation, each charter school sponsored by the district. The compilation must include:

(1) The amount and sources of money received for programs of remedial study for each school in the district and the district as a whole, including, without limitation, each charter school in the district.

(2) An identification of each program of remedial study, listed by subject area.

(s) For each high school in the district, including, without limitation, each charter school in the district, the percentage of pupils who graduated from that high school or charter school in the immediately preceding year and enrolled in remedial courses in reading, writing or mathematics at a university, state college or community college within the Nevada System of Higher Education.

(t) The technological facilities and equipment available at each school, including, without limitation, each charter school, and the district's plan to incorporate educational technology at each school.

(u) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, the number and percentage of pupils who received:

(1) A standard high school diploma, reported separately for pupils who received the diploma pursuant to:

(I) ~~Paragraph (a) of subsection 1~~ **Subsection 1** of NRS 389.805; and

(II) ~~Paragraph (b) of subsection 1 of NRS 389.805~~ ~~[-] ~~[-] and~~~~

~~(III) Subsection 4 of NRS 389.805.~~

(2) An adjusted diploma.

(3) A certificate of attendance.

(v) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, the number and percentage of pupils who failed to pass the high school proficiency examination.

(w) The number of habitual truants who are reported to a school police officer or law enforcement agency pursuant to paragraph (a) of subsection 2 of NRS 392.144 and the number of habitual truants who are referred to an advisory board to review school attendance pursuant to paragraph (b) of subsection 2 of NRS 392.144, for each school in the district and for the district as a whole.

(x) The amount and sources of money received for the training and professional development of teachers and other educational personnel for each school in the district and for the district as a whole, including, without limitation, each charter school in the district.

(y) Whether the school district has made adequate yearly progress. If the school district has been designated as demonstrating need for improvement pursuant to NRS 385.377, the report must include a statement indicating the number of consecutive years the school district has carried that designation.

(z) Information on whether each public school in the district, including, without limitation, each charter school in the district, has made adequate yearly progress, including, without limitation:

(1) The number and percentage of schools in the district, if any, that have been designated as needing improvement pursuant to NRS 385.3623; and

(2) The name of each school, if any, in the district that has been designated as needing improvement pursuant to NRS 385.3623 and the number of consecutive years that the school has carried that designation.

(aa) Information on the paraprofessionals employed by each public school in the district, including, without limitation, each charter school in the district. The information must include:

(1) The number of paraprofessionals employed at the school; and

(2) The number and percentage of all paraprofessionals who do not satisfy the qualifications set forth in 20 U.S.C. § 6319(c). The reporting requirements of this subparagraph apply to paraprofessionals who are employed in positions supported with Title I money and to paraprofessionals who are not employed in positions supported with Title I money.

(bb) For each high school in the district, including, without limitation, each charter school that operates as a high school, information that provides a comparison of the rate of graduation of pupils enrolled in the high school with the rate of graduation of pupils throughout the district and throughout this State. The information required by this paragraph must be provided in consultation with the Department to ensure the accuracy of the comparison.

(cc) An identification of the appropriations made by the Legislature that are available to the school district or the schools within the district and programs approved by the Legislature to improve the academic achievement of pupils.

(dd) For each school in the district and the district as a whole, including, without limitation, each charter school in the district, information on pupils enrolled in career and technical education, including, without limitation:

(1) The number of pupils enrolled in a course of career and technical education;

(2) The number of pupils who completed a course of career and technical education;

(3) The average daily attendance of pupils who are enrolled in a program of career and technical education;

(4) The annual rate of pupils who dropped out of school and were enrolled in a program of career and technical education before dropping out;

(5) The number and percentage of pupils who completed a program of career and technical education and who received a standard high school diploma, an adjusted diploma or a certificate of attendance; and

(6) The number and percentage of pupils who completed a program of career and technical education and who did not receive a high school diploma because the pupils failed to pass the high school proficiency examination ~~or~~ ***or otherwise failed to satisfy the requirements of NRS 389.805.***

(ee) Such other information as is directed by the Superintendent of Public Instruction.

3. The records of attendance maintained by a school for purposes of paragraph (i) of subsection 2 must include the number of teachers who are in attendance at school and the number of teachers who are absent from school. A teacher shall be deemed in attendance if the teacher is excused from being present in the classroom by the school in which the teacher is employed for one of the following reasons:

(a) Acquisition of knowledge or skills relating to the professional development of the teacher; or

(b) Assignment of the teacher to perform duties for cocurricular or extracurricular activities of pupils.

4. The annual report of accountability prepared pursuant to subsection 2 must:

(a) Comply with 20 U.S.C. § 6311(h)(2) and the regulations adopted pursuant thereto; and

(b) Be presented in an understandable and uniform format and, to the extent practicable, provided in a language that parents can understand.

5. The Superintendent of Public Instruction shall:

(a) Prescribe forms for the reports required pursuant to subsection 2 and provide the forms to the respective school districts.

(b) Provide statistical information and technical assistance to the school districts to ensure that the reports provide comparable information with

respect to each school in each district and among the districts throughout this State.

(c) Consult with a representative of the:

- (1) Nevada State Education Association;
- (2) Nevada Association of School Boards;
- (3) Nevada Association of School Administrators;
- (4) Nevada Parent Teacher Association;
- (5) Budget Division of the Department of Administration; and
- (6) Legislative Counsel Bureau,

↪ concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

6. The Superintendent of Public Instruction may consult with representatives of parent groups other than the Nevada Parent Teacher Association concerning the program and consider any advice or recommendations submitted by the representatives with respect to the program.

7. On or before August 15 of each year, the board of trustees of each school district shall submit to each advisory board to review school attendance created in the county pursuant to NRS 392.126 the information required in paragraph (g) of subsection 2.

8. On or before August 15 of each year, the board of trustees of each school district shall:

(a) Provide written notice that the report required pursuant to subsection 2 is available on the Internet website maintained by the school district, if any, or otherwise provide written notice of the availability of the report. The written notice must be provided to the:

- (1) Governor;
- (2) State Board;
- (3) Department;
- (4) Committee; and
- (5) Bureau.

(b) Provide for public dissemination of the annual report of accountability prepared pursuant to subsection 2 in the manner set forth in 20 U.S.C. § 6311(h)(2)(E) by posting a copy of the report on the Internet website maintained by the school district, if any. If a school district does not maintain a website, the district shall otherwise provide for public dissemination of the annual report by providing a copy of the report to the schools in the school district, including, without limitation, each charter school in the district, the residents of the district, and the parents and guardians of pupils enrolled in schools in the district, including, without limitation, each charter school in the district.

9. Upon the request of the Governor, an entity described in paragraph (a) of subsection 8 or a member of the general public, the board of trustees of a school district shall provide a portion or portions of the report required pursuant to subsection 2.

10. As used in this section:

(a) “Highly qualified” has the meaning ascribed to it in 20 U.S.C. § 7801(23).

(b) “Paraprofessional” has the meaning ascribed to it in NRS 391.008.

Sec. 3. NRS 389.015 is hereby amended to read as follows:

389.015 1. The board of trustees of each school district shall administer examinations in all public schools of the school district. The governing body of a charter school shall administer the same examinations in the charter school. The examinations administered by the board of trustees and governing body must determine the achievement and proficiency of pupils in:

- (a) Reading;
- (b) Mathematics; and
- (c) Science.

2. The examinations required by subsection 1 must be:

- (a) Administered before the completion of grades 4, 7, 10 and 11.
- (b) Administered in each school district and each charter school at the same time during the spring semester. The time for the administration of the examinations must be prescribed by the State Board.

(c) Administered in each school in accordance with uniform procedures adopted by the State Board. The Department shall monitor the compliance of school districts and individual schools with the uniform procedures.

(d) Administered in each school in accordance with the plan adopted pursuant to NRS 389.616 by the Department and with the plan adopted pursuant to NRS 389.620 by the board of trustees of the school district in which the examinations are administered. The Department shall monitor the compliance of school districts and individual schools with:

- (1) The plan adopted by the Department; and
- (2) The plan adopted by the board of trustees of the applicable school district, to the extent that the plan adopted by the board of trustees of the school district is consistent with the plan adopted by the Department.

(e) Scored by a single private entity that has contracted with the State Board to score the examinations. The private entity that scores the examinations shall report the results of the examinations in the form and by the date required by the Department.

3. Not more than 14 working days after the results of the examinations are reported to the Department by a private entity that scored the examinations, the Superintendent of Public Instruction shall certify that the results of the examinations have been transmitted to each school district and each charter school. Not more than 10 working days after a school district receives the results of the examinations, the superintendent of schools of each school district shall certify that the results of the examinations have been transmitted to each school within the school district. Except as otherwise provided in this subsection, not more than 15 working days after each school receives the results of the examinations, the principal of each school and the

governing body of each charter school shall certify that the results for each pupil have been provided to the parent or legal guardian of the pupil:

(a) During a conference between the teacher of the pupil or administrator of the school and the parent or legal guardian of the pupil; or

(b) By mailing the results of the examinations to the last known address of the parent or legal guardian of the pupil.

↪ If a pupil fails the high school proficiency examination, the school shall notify the pupil and the parents or legal guardian of the pupil of each subject area that the pupil failed as soon as practicable but not later than 15 working days after the school receives the results of the examination.

4. If a pupil fails to demonstrate at least adequate achievement on the examination administered before the completion of grade 4, 7 or 10, the pupil may be promoted to the next higher grade, but the results of the pupil's examination must be evaluated to determine what remedial study is appropriate. If such a pupil is enrolled at a school that has failed to make adequate yearly progress or in which less than 60 percent of the pupils enrolled in grade 4, 7 or 10 in the school who took the examinations administered pursuant to this section received an average score on those examinations that is at least equal to the 26th percentile of the national reference group of pupils to which the examinations were compared, the pupil must, in accordance with the requirements set forth in this subsection, complete remedial study that is determined to be appropriate for the pupil.

5. Except as otherwise provided in subsection 6, if a pupil fails to pass the high school proficiency examination, the pupil must not be graduated unless he or she:

(a) Is able, through remedial study, to pass the proficiency examination; or

(b) **Failed to pass the same subject area of the proficiency examination [not less than six times] each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate, and satisfies the requirements of subsection 4 of NRS 389.805, for**

~~(c) Passes the subject areas of mathematics and reading tested on the proficiency examination, has at least a 2.75 grade point average on a 4.0 grading scale and satisfies the alternative criteria prescribed by the State Board pursuant to NRS 389.805.~~

↪ but the pupil may be given a certificate of attendance, in place of a diploma, if the pupil has reached the age of 18 years.

6. A pupil who transfers during grade 12 to a school in this State from a school outside this State because of the military transfer of the parent or legal guardian of the pupil may receive a waiver from the requirements of subsection 5 if, in accordance with the provisions of NRS 392C.010, the school district in which the pupil is enrolled:

(a) Accepts the results of the exit or end-of-course examinations required for graduation in the local education agency in which the pupil was previously enrolled;

(b) Accepts the results of a national norm-referenced achievement examination taken by the pupil; or

(c) Establishes an alternative test for the pupil which demonstrates proficiency in the subject areas tested on the high school proficiency examination, and the pupil successfully passes that test.

7. The State Board shall prescribe standard examinations of achievement and proficiency to be administered pursuant to subsection 1. The high school proficiency examination must include the subjects of reading, mathematics and science and, except for the writing portion prescribed pursuant to NRS 389.550, must be developed, printed and scored by a nationally recognized testing company in accordance with the process established by the testing company. The examinations on reading, mathematics and science prescribed for grades 4, 7 and 10 must be selected from examinations created by private entities and administered to a national reference group, and must allow for a comparison of the achievement and proficiency of pupils in grades 4, 7 and 10 in this State to that of a national reference group of pupils in grades 4, 7 and 10. The questions contained in the examinations and the approved answers used for grading them are confidential, and disclosure is unlawful except:

(a) To the extent necessary for administering and evaluating the examinations.

(b) That a disclosure may be made to a:

(1) State officer who is a member of the Executive or Legislative Branch to the extent that it is necessary for the performance of his or her duties;

(2) Superintendent of schools of a school district to the extent that it is necessary for the performance of his or her duties;

(3) Director of curriculum of a school district to the extent that it is necessary for the performance of his or her duties; and

(4) Director of testing of a school district to the extent that it is necessary for the performance of his or her duties.

(c) That specific questions and answers may be disclosed if the Superintendent of Public Instruction determines that the content of the questions and answers is not being used in a current examination and making the content available to the public poses no threat to the security of the current examination process.

(d) As required pursuant to NRS 239.0115.

Sec. 4. NRS 389.0173 is hereby amended to read as follows:

389.0173 1. The Department shall develop an informational pamphlet concerning the high school proficiency examination for pupils who are enrolled in junior high, middle school and high school, and their parents and legal guardians. The pamphlet must include a written explanation of the:

(a) Importance of passing the examination, including, without limitation, an explanation that if the pupil fails the examination, or does not satisfy the

requirements of ~~paragraph (b) of~~ subsection ~~1 or subsection~~ 4 of NRS 389.805, the pupil is not eligible to receive a standard high school diploma;

- (b) Subject areas tested on the examination;
- (c) Format for the examination, including, without limitation, the range of items that are contained on the examination;
- (d) Manner by which the scaled score, as reported to pupils and their parents or legal guardians, is derived from the raw score;
- (e) Timeline by which the results of the examination must be reported to pupils and their parents or legal guardians;
- (f) Maximum number of times that a pupil is allowed to take the examination if the pupil fails to pass the examination after the first administration;
- (g) Courses of study that the Department recommends that pupils take to prepare the pupils to successfully meet the academic challenges of the examination and pass the examination; and
- (h) Courses of study which the Department recommends that pupils take in high school to successfully prepare for the college entrance examinations.

2. The Department shall review the pamphlet on an annual basis and make such revisions to the pamphlet as it considers necessary to ensure that pupils and their parents or legal guardians fully understand the examination.

3. On or before September 1, the Department shall provide a copy of the pamphlet or revised pamphlet to the board of trustees of each school district and the governing body of each charter school that includes pupils enrolled in a junior high, middle school or high school grade level.

4. The board of trustees of each school district shall provide a copy of the pamphlet to each junior high, middle school or high school within the school district for posting. The governing body of each charter school shall ensure that a copy of the pamphlet is posted at the charter school. Each principal of a junior high, middle school, high school or charter school shall ensure that the teachers, counselors and administrators employed at the school fully understand the contents of the pamphlet.

5. On or before January 15, the:

(a) Board of trustees of each school district shall provide a copy of the pamphlet to each pupil who is enrolled in a junior high, middle school or high school of the school district and to the parents or legal guardians of such a pupil.

(b) Governing body of each charter school shall provide a copy of the pamphlet to each pupil who is enrolled in the charter school at a junior high, middle school or high school grade level and to the parents or legal guardians of such a pupil.

Sec. 5. NRS 389.805 is hereby amended to read as follows:

389.805 1. Except as otherwise provided in ~~subsection 3,~~ **subsections 3 and 4**, a pupil must receive a standard high school diploma if the pupil ~~f~~

~~(a) Passes]~~ *passes* all subject areas of the high school proficiency examination administered pursuant to NRS 389.015 and otherwise satisfies the requirements for graduation from high school. ~~For~~

~~(b) Has failed to pass the high school proficiency examination administered pursuant to NRS 389.015 in its entirety not less than two times before beginning grade 12 and the pupil:~~

~~(1) Passes the subject areas of mathematics and reading on the proficiency examination;~~

~~(2) Has an overall grade point average of not less than 2.75 on a 4.0 grading scale;~~

~~(3) Satisfies the alternative criteria prescribed by the State Board pursuant to subsection] [4;] /5; and~~

~~(4) Otherwise satisfies the requirements for graduation from high school.]~~

2. A pupil with a disability who does not satisfy the requirements for receipt of a standard high school diploma may receive a diploma designated as an adjusted diploma if the pupil satisfies the requirements set forth in his or her individualized education program. As used in this subsection, “individualized education program” has the meaning ascribed to it in 20 U.S.C. § 1414(d)(1)(A).

3. A pupil who transfers during grade 12 to a school in this State from a school outside this State because of the military transfer of the parent or legal guardian of the pupil may receive a waiver from the requirements of ~~[paragraphs (a) and (b) of subsection]~~ **subsections 1 and 4** if, in accordance with the provisions of NRS 392C.010, the school district in which the pupil is enrolled:

(a) Accepts the results of the exit or end-of-course examinations required for graduation in the local education agency in which the pupil was previously enrolled;

(b) Accepts the results of a national norm-referenced achievement examination taken by the pupil; or

(c) Establishes an alternative test for the pupil which demonstrates proficiency in the subject areas tested on the high school proficiency examination, and the pupil successfully passes that test.

4. **A pupil must receive a standard high school diploma if the pupil has failed to pass ~~one~~ the same subject area of the high school proficiency examination administered pursuant to NRS 389.015 ~~not less than six times~~ each time the pupil took the examination, including the final administration of the examination to the pupil before the date on which he or she is otherwise regularly scheduled to graduate and the pupil:**

(a) Has earned sufficient credits to receive a standard high school diploma;

(b) Has an overall grade point average of not less than 2.75 on a 4.0 grading scale;

(c) Satisfies the minimum attendance requirements established by the board of trustees of the school district pursuant to NRS 392.122;

(d) Does not have any disciplinary action pending against him or her; and

(e) Has obtained a cumulative score on the high school proficiency examinations that meets the required cumulative score prescribed by the State Board, which must be calculated using the highest scores received over all instances in which the examination was taken.

~~5. The State Board shall adopt regulations that prescribe the alternative criteria for a pupil to receive a standard high school diploma pursuant to paragraph (b) of subsection 1, including, without limitation:~~

~~(a) An essay;~~

~~(b) A senior project; or~~

~~(c) A portfolio of work;~~

~~or any combination thereof, that demonstrate proficiency in the subject areas on the high school proficiency examination which the pupil failed to pass.~~

Sec. 6. NRS 392.122 is hereby amended to read as follows:

392.122 1. The board of trustees of each school district shall prescribe a minimum number of days that a pupil who is subject to compulsory attendance and enrolled in a school in the district must be in attendance for the pupil to obtain credit or to be promoted to the next higher grade. The board of trustees of a school district may adopt a policy prescribing a minimum number of days that a pupil who is enrolled in kindergarten or first grade in the school district must be in attendance for the pupil to obtain credit or to be promoted to the next higher grade.

2. For the purposes of this section, the days on which a pupil is not in attendance because the pupil is absent for up to 10 days within 1 school year with the approval of the teacher or principal of the school pursuant to NRS 392.130, must be credited towards the required days of attendance if the pupil has completed course-work requirements. The teacher or principal of the school may approve the absence of a pupil for deployment activities of the parent or legal guardian of the pupil, as defined in NRS 392C.010. If the board of trustees of a school district has adopted a policy pursuant to subsection 5, the 10-day limitation on absences does not apply to absences that are excused pursuant to that policy.

3. Except as otherwise provided in ~~subsection 5,~~ **subsections 5 and 6,** before a pupil is denied credit or promotion to the next higher grade for failure to comply with the attendance requirements prescribed pursuant to subsection 1, the principal of the school in which the pupil is enrolled or the principal's designee shall provide written notice of the intended denial to the parent or legal guardian of the pupil. The notice must include a statement indicating that the pupil and the pupil's parent or legal guardian may request a review of the absences of the pupil and a statement of the procedure for requesting such a review. Upon the request for a review by the pupil and the

pupil's parent or legal guardian, the principal or the principal's designee shall review the reason for each absence of the pupil upon which the intended denial of credit or promotion is based. After the review, the principal or the principal's designee shall credit towards the required days of attendance each day of absence for which:

(a) There is evidence or a written affirmation by the parent or legal guardian of the pupil that the pupil was physically or mentally unable to attend school on the day of the absence; and

(b) The pupil has completed course-work requirements.

4. A pupil and the pupil's parent or legal guardian may appeal a decision of a principal or the principal's designee pursuant to subsection 3 to the board of trustees of the school district in which the pupil is enrolled.

5. The board of trustees of a school district may adopt a policy to exempt pupils who are physically or mentally unable to attend school from the limitations on absences set forth in subsection 1. If a board of trustees adopts a policy pursuant to this subsection:

(a) A pupil who receives an exemption pursuant to this subsection is not exempt from the minimum number of days of attendance prescribed pursuant to subsection 1.

(b) The days on which a pupil is physically or mentally unable to attend school must be credited towards the required days of attendance if the pupil has completed course-work requirements.

(c) The procedure for review of absences set forth in subsection 3 does not apply to days on which the pupil is absent because the pupil is physically or mentally unable to attend school.

6. *The board of trustees of a school district may adopt a policy that allows a pupil enrolled in high school who has failed to comply with the minimum attendance requirements pursuant to subsection 1 for which he or she will be denied credit the opportunity to make up those credits. The policy must provide that such a pupil may obtain credit if the pupil is not absent from school for any additional days during the current grading period for which credit may be earned and the pupil:*

(a) Enrolls in a program in addition to the regular high school program that provides additional time and instruction for the pupil to make up the material missed due to the pupil's absences; or

(b) Passes a comprehensive examination demonstrating competence in the subject area for which the pupil would otherwise be denied credit.

↪ A pupil who does not satisfy the requirements of paragraph (a) or (b) will be denied credit, and the principal of the school shall provide notice of the intended denial pursuant to subsection 3.

7. A school shall inform the parents or legal guardian of each pupil who is enrolled in the school that the parents or legal guardian and the pupil are required to comply with the provisions governing the attendance and truancy of pupils set forth in NRS 392.040 to 392.160, inclusive, and any other rules

concerning attendance and truancy adopted by the board of trustees of the school district.

Sec. 7. NRS 62E.430 is hereby amended to read as follows:

62E.430 1. If a child is adjudicated to be in need of supervision because the child is a habitual truant, the juvenile court shall:

(a) The first time the child is adjudicated to be in need of supervision because the child is a habitual truant:

(1) Order:

(I) The child to pay a fine of not more than \$100 and the administrative assessment required by NRS 62E.270 or if the parent or guardian of the child knowingly induced the child to be a habitual truant, order the parent or guardian to pay the fine and the administrative assessment; or

(II) The child to perform not less than 8 hours but not more than 16 hours of community service; and

(2) If the child is 14 years of age or older, order the suspension of the driver's license of the child for at least 30 days but not more than 6 months. If the child does not possess a driver's license, the juvenile court shall prohibit the child from applying for a driver's license for 30 days:

(I) Immediately following the date of the order if the child is eligible to apply for a driver's license; or

(II) After the date the child becomes eligible to apply for a driver's license if the child is not eligible to apply for a driver's license.

(b) The second or any subsequent time the child is adjudicated to be in need of supervision because the child is a habitual truant:

(1) Order:

(I) The child to pay a fine of not more than \$200 and the administrative assessment required by NRS 62E.270 or if the parent or guardian of the child knowingly induced the child to be a habitual truant, order the parent or guardian to pay the fine and the administrative assessment;

(II) The child to perform not more than 10 hours of community service; or

(III) Compliance with the requirements set forth in both sub-paragraphs (I) and (II); and

(2) If the child is 14 years of age or older, order the suspension of the driver's license of the child for at least 60 days but not more than 1 year. If the child does not possess a driver's license, the juvenile court shall prohibit the child from applying for a driver's license for 60 days:

(I) Immediately following the date of the order if the child is eligible to apply for a driver's license; or

(II) After the date the child becomes eligible to apply for a driver's license if the child is not eligible to apply for a driver's license.

2. The juvenile court may suspend the payment of a fine ordered pursuant to paragraph (a) of subsection 1 if the child attends school for 60

consecutive school days, or its equivalent in a school district operating under an alternative schedule authorized pursuant to NRS 388.090, after the imposition of the fine, or has a valid excuse acceptable to the child's teacher or the principal for any absence from school within that period.

3. The juvenile court may suspend the payment of a fine ordered pursuant to this section if the parent or guardian of a child is ordered to pay a fine by another court of competent jurisdiction in a case relating to or arising out of the same circumstances that caused the juvenile court to adjudicate the child in need of supervision.

4. The community service ordered pursuant to this section must be performed at the child's school of attendance, if practicable.

5. *If a child is adjudicated in need of supervision because the child is a habitual truant, the juvenile court may, the first time, the second time or any subsequent time the child is adjudicated to be in need of supervision because the child is a habitual truant, order the parent or legal guardian of the child to attend conferences with the child's teacher and appropriate school administrators to address the status of the child as a habitual truant and to develop a plan to ensure that the child attends school.*

Sec. 8. Chapter 609 of NRS is hereby amended by adding thereto a new section to read as follows:

If a county requires the issuance of work permits and a work permit is issued to a child between the ages of 16 and 18 years, the parent or legal guardian of the child may indicate on the work permit the maximum number of hours that his or her child may work and specify the time periods in which that work may occur during the week and on the weekend.

Sec. 9. NRS 609.240 is hereby amended to read as follows:

609.240 1. No child under the age of 16 years may be employed, permitted or suffered to work at any gainful occupation, other than domestic service, employment as a performer in the production of a motion picture or work on a farm, more than ~~48~~:

(a) *Twenty* hours in any 1 week ~~and~~ *when school is in session;*

(b) *Forty-eight* hours in any 1 week *when school is not in session;* or ~~more than 8~~

(c) *Eight* hours in any 1 day.

2. The presence of a child in any establishment during working hours is prima facie evidence of employment of the child therein.

Sec. 9.5. 1. On or before December 31, 2012, the board of trustees of each school district shall submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a report on the standard high school diplomas awarded to pupils pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act.

2. The report submitted pursuant to subsection 1 must include:

(a) The number of pupils who were awarded a standard high school diploma pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act;

(b) An assessment of the effectiveness of the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act, with enabling pupils to receive a standard high school diploma who would not otherwise have been eligible for such a diploma; and

(c) A determination as to whether the awarding of a standard high school diploma pursuant to the criteria prescribed by subsection 4 of NRS 389.805, as amended by section 5 of this act, should continue to be a means by which pupils may receive a standard high school diploma.

Sec. 10. This act becomes effective on July 1, 2011.

Assemblyman Bobzien moved that the Assembly concur in the Senate Amendment No. 623 to Assembly Bill No. 456.

Remarks by Assemblymen Bobzien and Hansen.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Assembly Bill No. 132.

The following Senate amendment was read:

Amendment No. 687.

AN ACT relating to elections; revising provisions governing the dates for certain city elections; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Certain cities that are created by charters hold ~~general~~ municipal elections in ~~June of~~ odd-numbered years (Boulder City, Caliente, Elko, Henderson, Las Vegas, North Las Vegas and Yerington). **Sections 20-47 of this bill amend the charters of ~~those cities~~ Boulder City, Caliente, Henderson, Las Vegas, North Las Vegas and Yerington to authorize the city councils of those cities to choose by ordinance ~~whether~~ to ~~(1)~~ hold city elections on the state election cycle ~~(1) or (2) continue holding the elections in June, as provided in their respective city charters.~~, which is in even-numbered years. If the city council of Boulder City, Henderson, Las Vegas or North Las Vegas adopts such an ordinance, sections 21, 33, 39 and 40.5 of this bill provide that the ordinance must not affect the term of office of any elected official of the city serving in office on the effective date of the ordinance but may affect the next succeeding term for that office. If such an ordinance is adopted and subsequently repealed, the city would return to holding its elections in odd-numbered years, as provided in its existing city charter.**

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

Section 1. (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 5. (Deleted by amendment.)

Sec. 6. (Deleted by amendment.)

Sec. 7. (Deleted by amendment.)

Sec. 8. (Deleted by amendment.)

Sec. 9. (Deleted by amendment.)

Sec. 10. (Deleted by amendment.)

Sec. 11. (Deleted by amendment.)

Sec. 12. (Deleted by amendment.)

Sec. 13. (Deleted by amendment.)

Sec. 14. (Deleted by amendment.)

Sec. 15. (Deleted by amendment.)

Sec. 16. (Deleted by amendment.)

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. Section 4 of the charter of Boulder City is hereby amended to read as follows:

Section 4. Number; selection and term; recall.

1. ~~The~~ ***Except as otherwise provided in section 96, the*** City Council shall have four Council Members and a Mayor elected from the City at large in the manner provided in Article IX, for terms of four years and until their successors have been elected and have taken office as provided in section 16 . ~~[subject to recall as provided in section 111.5.]~~ No Council Member shall represent any particular constituency or district of the City, and each Council Member shall represent the entire City. (Amd. 2; 6-4-1991; Add. 17; Amd. 1; 11-5-1996)

2. (Repealed by Amd. 1; 6-4-1991)

3. ***The Council Members and the Mayor are subject to recall as provided in section 111.5.***

Sec. 21. Section 96 of the charter of Boulder City is hereby amended to read as follows:

Section 96. Conduct of ~~city~~ ***municipal*** elections.

1. All ~~city~~ ***municipal*** elections must be nonpartisan in character and must be conducted in accordance with the provisions of the general election laws of the State of Nevada and any ordinance regulations as adopted by the City Council which are consistent with law and this Charter. (1959 Charter)

2. All full terms of office in the City Council are ~~four~~ **4** years, and Council Members must be elected at large without regard to precinct residency. ~~Two~~ ***Except as otherwise provided in subsection 8, two*** full-term Council members and the Mayor are to be elected in each year immediately preceding a federal presidential election, and two full-term Council members are to be elected in each year immediately following a federal presidential election. In each election, the candidates receiving the

greatest number of votes must be declared elected to the vacant full-term positions. (Add. 17; Amd. 1; 11-5-1996)

~~{(a)}~~ 3. In the event one or more ~~{two}~~ 2-year term positions on the Council will be available at the time of a municipal election as provided in section 12, candidates must file specifically for such position(s). Candidates receiving the greatest respective number of votes must be declared elected to the respective available ~~{two}~~ 2-year positions. (Add. 15; Amd. 2; 6-4-1991)

~~{3. A city}~~

4. *Except as otherwise provided in subsection 8, a primary **municipal** election must be held on the first Tuesday after the first Monday in April of each odd-numbered year and a ~~{city}~~ general **municipal** election must be held on the first Tuesday after the first Monday in June of each odd-numbered year.*

~~{(a)}~~ 5. A primary **municipal** election must not be held if no more than double the number of Council Members to be elected file as candidates. A primary **municipal** election must not be held for the office of Mayor if no more than two candidates file for that position. The primary **municipal** election must be held for the purpose of eliminating candidates in excess of a figure double the number of Council Members to be elected. (Add. 17; Amd. 1; 11-5-1996)

~~{(b)}~~ 6. If, in the primary ~~{city}~~ **municipal** election, a candidate receives votes equal to a majority of voters casting ballots in that election, he or she shall be considered elected to one of the vacancies and his or her name shall not be placed on the ballot for the general ~~{city}~~ **municipal** election. (Add. 10; Amd. 7; 6-2-1981)

~~{(c)}~~ 7. In each primary and general **municipal** election, voters ~~{shall be}~~ **are** entitled to cast ballots for candidates in a number equal to the number of seats to be filled in the ~~{city}~~ **municipal** elections. (Add. 11; Amd. 5; 6-7-1983)

~~{4.}~~ 8. *The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.*

9. *If the City Council adopts an ordinance pursuant to subsection 8, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.*

10. *If the City Council adopts an ordinance pursuant to subsection 8, the ordinance must not affect the term of office of any elected official of the City serving in office on the effective date of the ordinance. The next succeeding term for that office may be shortened but may not be lengthened as a result of the ordinance.*

11. The conduct of all municipal elections ~~{shall}~~ **must** be under the control of the City Council, which shall adopt by ordinance all regulations

which it considers desirable and consistent with law and this Charter. Nothing in this Charter shall be construed as to deny or abridge the power of the City Council to provide for supplemental regulations for the prevention of fraud in such elections and for the recount of ballots in cases of doubt or fraud. (Add. 24; Amd. 1; 6-3-2003)

Sec. 22. Section 111.5 of the charter of Boulder City is hereby amended to read as follows:

Section 111.5. Recall of *the Mayor and* Council Members.

As provided by the general laws of this State, *the Mayor and* every member of the City Council ~~is~~ **are** subject to recall from office. (Add. 5; Amd. 5; 6-8-1971; Add. 24; Amd. 1; 6-3-2003)

Sec. 23. (Deleted by amendment.)

Sec. 24. Section 2.010 of the Charter of the City of Caliente, being chapter 31, Statutes of Nevada 1971, as last amended by chapter 98, Statutes of Nevada 1977, at page 202, is hereby amended to read as follows:

Sec. 2.010 City Council: Qualifications; election; term of office; salary.

1. The legislative power of the City is vested in a City Council consisting of five Council Members, including the Mayor.

2. The Mayor and each Council Member ~~shall~~ **must** be:

(a) Bona fide residents of the City for at least 2 years immediately prior to their election.

(b) Qualified electors within the City.

3. All Council Members, including the Mayor, ~~shall~~ **must** be voted upon by the registered voters of the City at large and shall serve for terms of 4 years except as *otherwise* provided in ~~subsection 3 of~~ section 5.010.

4. The Mayor and Council Members shall receive a salary in an amount fixed by the City Council. Such salary ~~shall~~ **must** not be increased or diminished during the term of the recipient.

Sec. 25. Section 5.010 of the Charter of the City of Caliente, being chapter 31, Statutes of Nevada 1971, as amended by chapter 71, Statutes of Nevada 1975, at page 82, is hereby amended to read as follows:

Sec. 5.010 Municipal elections.

1. *Except as otherwise provided in subsection 2:*

(a) On the ~~first~~ **first** Tuesday after the ~~first~~ **first** Monday in June 1973, there ~~shall~~ **must** be elected by the qualified voters of the City, at a general municipal election to be held for that purpose, a Mayor and one Council Member who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~2.~~ (b) On the ~~first~~ **first** Tuesday after the ~~first~~ **first** Monday in June 1975, and at each successive interval of 4 years thereafter, there ~~shall~~ **must** be elected by the qualified voters of the City, at a general municipal election to be held for that purpose, two Council Members ~~who~~ who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~3.~~ (c) On the ~~first~~ *first* Tuesday after the ~~first~~ *first* Monday in June 1975, there shall be elected by the qualified voters of the City at a general *municipal* election to be held for that purpose one Council Member who shall hold office for a period of 2 years and until his or her successor has been elected and qualified.

~~4.~~ (d) On the ~~first~~ *first* Tuesday after the ~~first~~ *first* Monday in June 1977, and at each successive interval of 4 years, there ~~shall~~ *must* be elected by the qualified voters of the City, at a general *municipal* election to be held for that purpose, a Mayor and two Council Members, who shall hold office for a period of 4 years and until their successors have been elected and qualified.

2. *The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.*

3. *If the City Council adopts an ordinance pursuant to subsection 2, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.*

4. *If the City Council adopts an ordinance pursuant to subsection 2, the term of office of any elected official may be shortened but may not be lengthened as a result of the ordinance.*

Sec. 26. (Deleted by amendment.)

Sec. 27. ~~[Section 2.010 of the Charter of the City of Elko, being chapter 276, Statutes of Nevada 1971, as last amended by chapter 51, Statutes of Nevada 2001, at page 449, is hereby amended to read as follows:~~

~~Sec. 2.010 City Council: Qualifications; election; term of office; salary.~~

~~1. The legislative power of the City is vested in a City Council consisting of four members and the Mayor.~~

~~2. The members of the City Council must be:~~

~~(a) Bona fide residents of the City for at least 2 years before their election.~~

~~(b) Qualified electors within the City.~~

~~3. All members of the City Council must be voted upon by the registered voters of the City at large and, *except as otherwise provided in section 5.010*, shall serve for terms of 4 years.~~

~~4. The members of the City Council must receive a salary in an amount fixed by the City Council.] (Deleted by amendment.)~~

Sec. 28. ~~[Section 5.010 of the Charter of the City of Elko, being chapter 276, Statutes of Nevada 1971, as amended by chapter 51, Statutes of Nevada 2001, at page 463, is hereby amended to read as follows:~~

~~Sec. 5.010 Municipal elections.~~

~~1. *Except as otherwise provided in subsection 2:*~~

~~(a) On the first Tuesday after the first Monday in June 1975, and at each successive interval of 4 years, there must be elected by the qualified voters of~~

the City, at a general *municipal* election to be held for that purpose, a Mayor and two members of the City Council, who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~[2.] (b) On the first Tuesday after the first Monday in June 1973, and at each successive interval of 4 years thereafter, there must be elected by the qualified voters of the City, at a general *municipal* election to be held for that purpose, two members of the City Council, who shall hold office for a period of 4 years and until their successors have been elected and qualified.~~

~~2. The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.~~

~~3. If the City Council adopts an ordinance pursuant to subsection 2, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.~~

~~4. If the City Council adopts an ordinance pursuant to subsection 2, the term of office of any elected official may be shortened but may not be lengthened as a result of the ordinance.] (Deleted by amendment.)~~

Sec. 29. (Deleted by amendment.)

Sec. 30. Section 2.010 of the Charter of the City of Henderson, being chapter 266, Statutes of Nevada 1971, as last amended by chapter 596, Statutes of Nevada 1995, at page 2206, is hereby amended to read as follows:

Sec. 2.010 City Council: Qualifications; election; term of office; salary.

1. The legislative power of the City is vested in a City Council consisting of four Council Members and the Mayor.

2. The Mayor must be:

(a) A bona fide resident of the territory which is established by the boundaries of the City for the 12 months immediately preceding the last day for filing a declaration of candidacy for the office.

(b) A qualified elector within the City.

3. Each Council Member must be:

(a) A bona fide resident of the territory which is established by the boundaries of the City for the 12 months immediately preceding the last day for filing a declaration of candidacy for the office.

(b) A qualified elector within the ward which he or she represents.

(c) A resident of the ward which he or she represents for at least 30 days immediately preceding the last day for filing a declaration of candidacy for the office, except that changes in ward boundaries pursuant to the provisions of section 1.040 do not affect the right of any elected Council Member to continue in office for the term for which he or she was elected.

4. All Council Members, including the Mayor, must be voted upon by the registered voters of the City at large and, *except as otherwise provided in section 5.020*, shall serve for terms of 4 years.

5. The Mayor and Council Members are entitled to receive a salary in an amount fixed by the City Council. The City Council shall not adopt an ordinance which increases or decreases the salary of the Mayor or the Council Members during the term for which they have been elected or appointed.

Sec. 31. Section 4.015 of the Charter of the City of Henderson, being chapter 231, Statutes of Nevada 1991, as last amended by chapter 209, Statutes of Nevada 2001, at page 970, is hereby amended to read as follows:

Sec. 4.015 Municipal Court.

1. There is a Municipal Court of the City which consists of at least one department. Each department must be presided over by a Municipal Judge and has such power and jurisdiction as is prescribed in, and is, in all respects which are not inconsistent with this Charter, governed by, the provisions of chapters 5 and 266 of NRS which relate to municipal courts.

2. The City Council may from time to time establish additional departments of the Municipal Court and shall appoint an additional Municipal Judge for each.

3. At the first ~~municipal~~ primary or general *municipal* election which follows the appointment of an additional Municipal Judge to a newly created department of the Municipal Court, the successor to that Municipal Judge must be elected for a term of not more than 5 years, as determined by the City Council, in order that, as nearly as practicable, one-third of the number of Municipal Judges be elected every 2 years.

4. ~~Each~~ *Except as otherwise provided in subsection 3, each* Municipal Judge must be voted upon by the registered voters of the City at large ~~and~~, *except as otherwise provided in section 5.020, shall serve for a term of 6 years.*

5. The respective departments of the Municipal Court must be numbered 1 through the appropriate Arabic number, as additional departments are approved by the City Council. A Municipal Judge must be elected for each department by number.

6. The Senior Municipal Judge is selected by a majority of the sitting judges for a term of 2 years. If no Municipal Judge receives a majority of the votes, the Senior Municipal Judge is the Municipal Judge who has continuously served as a Municipal Judge for the longest period.

Sec. 32. Section 5.010 of the Charter of the City of Henderson, being chapter 266, Statutes of Nevada 1971, as last amended by chapter 637, Statutes of Nevada 1999, at page 3565, is hereby amended to read as follows:

Sec. 5.010 Primary *municipal* election.

1. ~~A~~ *Except as otherwise provided in section 5.020, a* primary *municipal* election must be held on the Tuesday after the first Monday in April of each odd-numbered year, at which time there must be nominated candidates for offices to be voted for at the next general municipal election.

2. A candidate for any office to be voted for at any primary municipal election must file a declaration of candidacy as provided by the election laws of this State.

3. All candidates for elective office must be voted upon by the registered voters of the City at large.

4. If in the primary *municipal* election no candidate receives a majority of votes cast in that election for the office for which he or she is a candidate, the names of the two candidates receiving the highest number of votes must be placed on the ballot for the general *municipal* election. If in the primary *municipal* election, regardless of the number of candidates for an office, one candidate receives a majority of votes cast in that election for the office for which he or she is a candidate, he or she must be declared elected and no general *municipal* election need be held for that office.

Sec. 33. Section 5.020 of the Charter of the City of Henderson, being chapter 266, Statutes of Nevada 1971, as last amended by chapter 209, Statutes of Nevada 2001, at page 971, is hereby amended to read as follows:

Sec. 5.020 General municipal election.

1. *Except as otherwise provided in subsection 2:*

(a) A general *municipal* election must be held in the City on the first Tuesday after the first Monday in June of each odd-numbered year and on the same day every 2 years thereafter, at which time the registered voters of the City shall elect city officers to fill the available elective positions.

~~{2.}~~ (b) All candidates for the office of Mayor, Council Member and Municipal Judge must be voted upon by the registered voters of the City at large. The term of office for members of the City Council and the Mayor is 4 years. Except as otherwise provided in subsection 3 of section 4.015, ~~of this Charter,~~ the term of office for a Municipal Judge is 6 years.

~~{3.}~~ (c) On the Tuesday after the first Monday in June 2001, and every 6 years thereafter, there must be elected by the qualified voters of the City, at a general municipal election to be held for that purpose, a Municipal Judge for Department 1 who will hold office until his or her successor has been elected and qualified.

~~{4.}~~ (d) On the Tuesday after the first Monday in June 2003 and every 6 years thereafter, there must be elected by the qualified voters of the City, at a general municipal election to be held for that purpose, a Municipal Judge for Department 2 who will hold office until his or her successor has been elected and qualified.

~~{5.}~~ (e) On the Tuesday after the first Monday in June 2005, and every 6 years thereafter, there must be elected by the qualified voters of the City, at a general municipal election to be held for that purpose, a Municipal Judge for Department 3 who will hold office until his or her successor has been elected and qualified.

2. *The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary*

elections and general elections pursuant to the provisions of chapter 293 of NRS.

3. If the City Council adopts an ordinance pursuant to subsection 2, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.

4. If the City Council adopts an ordinance pursuant to subsection 2, the ordinance must not affect the term of office of any elected official of the City serving in office on the effective date of the ordinance. The next succeeding term for that office may be shortened but may not be lengthened as a result of the ordinance.

Sec. 34. (Deleted by amendment.)

Sec. 35. Section 1.140 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, as last amended by chapter 6, Statutes of Nevada 2001, at page 10, is hereby amended to read as follows:

Sec. 1.140 Elective offices.

1. The elective officers of the City consist of:

- (a) A Mayor.
- (b) One Council Member from each ward.
- (c) Municipal Judges.

2. ~~{The}~~ *Except as otherwise provided in section 5.020, the* terms of office of the Mayor and Council Members are 4 years.

3. Except as otherwise provided in subsection 3 of section 4.010 ~~{of this Charter,}~~ *and section 5.020, the* term of office of a Municipal Judge is 6 years.

Sec. 36. Section 1.160 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, as last amended by chapter 338, Statutes of Nevada 2007, at page 1533, is hereby amended to read as follows:

Sec. 1.160 Elective offices: Vacancies. Except as otherwise provided in NRS 268.325:

1. A vacancy in the office of Mayor, Council Member or Municipal Judge must be filled by the majority vote of the entire City Council within 30 days after the occurrence of that vacancy. A person may be selected to fill a prospective vacancy before the vacancy occurs. In such a case, each member of the Council, except any member whose term of office expires before the occurrence of the vacancy, may participate in any action taken by the Council pursuant to this section. The appointee must have the same qualifications as are required of the elective official, including, without limitation, any applicable residency requirement.

2. ~~{No}~~ *Except as otherwise provided in section 5.010, no* appointment extends beyond the first regular meeting of the City Council that follows the next general municipal election, at that election the office must be filled for the remainder of the unexpired term, or beyond the first regular meeting of the City Council after the Tuesday after the first Monday in the next

succeeding June in an odd-numbered year, if no general municipal election is held in that year.

Sec. 37. Section 4.020 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, as last amended by chapter 338, Statutes of Nevada 2007, at page 1536, is hereby amended to read as follows:

Sec. 4.020 Municipal Court: Qualifications of Municipal Judges; salary; Master Judge; departments; Alternate Judges.

1. Each Municipal Judge shall devote his or her full time to the duties of his or her office and must be:

(a) A duly licensed member, in good standing, of the State Bar of Nevada, but this qualification does not apply to any Municipal Judge who is an incumbent when this Charter becomes effective as long as he or she continues to serve as such in uninterrupted terms.

(b) A qualified elector who has resided within the territory which is established by the boundaries of the City for a period of not less than 30 days immediately before the last day for filing a declaration of candidacy for the department for which he or she is a candidate.

(c) Voted upon by the registered voters of the City at large.

2. The salary of the Municipal Judges must be fixed by ordinance and be uniform for all departments of the Municipal Court. The salary may be increased during the terms for which the Judges are elected or appointed.

3. The Municipal Judges of the six departments shall elect a Master Judge from among their number. The Master Judge shall hold office for a term of 2 years commencing on July 1 of each ~~[odd-numbered year.]~~ **year of a general municipal election.** If a vacancy occurs in the position of Master Judge, the Municipal Judges shall elect a replacement for the remainder of the unexpired term. If two or more Municipal Judges receive an equal number of votes for the position of Master Judge, the candidates who have received the tie votes shall resolve the tie vote by the drawing of lots. The Master Judge:

(a) Shall establish and enforce administrative regulations for governing the affairs of the Municipal Court.

(b) Is responsible for setting trial dates and other matters which pertain to the Court calendar.

(c) Shall perform such other Court administrative duties as may be required by the City Council.

4. Alternate Judges in sufficient numbers may be appointed annually by the Mayor, each of whom:

(a) Must be a duly licensed member, in good standing, of the State Bar of Nevada and have such other qualifications as are prescribed by ordinance.

(b) Has all of the powers and jurisdiction of a Municipal Judge while acting as such.

(c) Is entitled to such compensation as may be fixed by the City Council.

5. Any Municipal Judge, other than an Alternate Judge, automatically forfeits his or her office if he or she ceases to be a resident of the City.

Sec. 38. Section 5.010 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, as last amended by chapter 637, Statutes of Nevada 1999, at page 3565, is hereby amended to read as follows:

Sec. 5.010 Primary municipal elections. *Except as otherwise provided in section 5.020:*

1. On the Tuesday after the first Monday in April 2001, and at each successive interval of 4 years, a primary municipal election must be held in the City at which time candidates for half of the offices of Council Member and for Municipal Judge, Department 2, must be nominated.

2. On the Tuesday after the first Monday in April 2003, and at each successive interval of 4 years, a primary municipal election must be held in the City at which time candidates for Mayor, for the other half of the offices of Council Member and for Municipal Judge, Department 1, must be nominated.

3. The candidates for Council Members who are to be nominated as provided in subsections 1 and 2 must be nominated and voted for separately according to the respective wards. The candidates from each even-numbered ward must be nominated as provided in subsection 1, and the candidates from each odd-numbered ward must be nominated as provided in subsection 2.

4. If the City Council has established an additional department or departments of the Municipal Court pursuant to section 4.010 ~~of this Charter,~~ and, as a result, more than one office of Municipal Judge is to be filled at any election, the candidates for those offices must be nominated and voted upon separately according to the respective departments.

5. Each candidate for the municipal offices which are provided for in subsections 1, 2 and 4 must file a declaration of candidacy with the City Clerk. All filing fees collected by the City Clerk must be paid into the City Treasury.

6. If, in the primary *municipal* election, regardless of the number of candidates for an office, one candidate receives a majority of votes which are cast in that election for the office for which he or she is a candidate, he or she must be declared elected for the term which commences on the day of the first regular meeting of the City Council next succeeding the meeting at which the canvass of the returns is made, and no general *municipal* election need be held for that office. If, in the primary *municipal* election, no candidate receives a majority of votes which are cast in that election for the office for which he or she is a candidate, the names of the two candidates who receive the highest number of votes must be placed on the ballot for the general *municipal* election.

Sec. 39. Section 5.020 of the Charter of the City of Las Vegas, being chapter 517, Statutes of Nevada 1983, at page 1415, is hereby amended to read as follows:

Sec. 5.020 General municipal election.

1. ~~[A]~~ *Except as otherwise provided in subsection 2, a* general municipal election must be held in the City on the Tuesday after the 1st

Monday in June of each odd-numbered year and on the same day every 2 years thereafter, at which time there must be elected those officers whose offices are required to be filled by election in that year.

2. *The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.*

3. *If the City Council adopts an ordinance pursuant to subsection 2, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.*

4. *If the City Council adopts an ordinance pursuant to subsection 2, the ordinance must not affect the term of office of any elected official of the City serving in office on the effective date of the ordinance. The next succeeding term for that office may be shortened but may not be lengthened as a result of the ordinance.*

5. All candidates for elective office, except the office of Council Member, must be voted upon by the registered voters of the City at large.

Sec. 40. (Deleted by amendment.)

Sec. 40.5. The Charter of the City of North Las Vegas, being chapter 573, Statutes of Nevada 1971, at page 1210, is hereby amended by adding thereto a new section to be designated as section 5.025, immediately following section 5.020, to read as follows:

Sec. 5.025 City Council authorized to ~~choose dates~~ provide for primary and general municipal elections ~~for dates to be in accordance with this Charter or chapter 293 of NRS; effect upon terms of serving city officials.~~ in even-numbered years.

1. *The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.*

2. *If the City Council adopts an ordinance pursuant to subsection 1, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal ~~election~~ elections and general municipal ~~election~~ elections.*

3. *If the City Council adopts an ordinance pursuant to subsection 1, the ordinance must not affect the term of office of any elected official of the City serving in office on the effective date of the ordinance. The next succeeding term for that office may be shortened but may not be lengthened as a result of the ordinance.*

Sec. 41. Section 2.010 of the Charter of the City of North Las Vegas, being chapter 573, Statutes of Nevada 1971, as last amended by chapter 499, Statutes of Nevada 2005, at page 2691, is hereby amended to read as follows:

Sec. 2.010 City Council: Qualifications; election; term of office; salary.

1. The legislative power of the City is vested in a City Council consisting of four Council Members and a Mayor.

2. The Mayor must be:

(a) A bona fide resident of the City for at least 6 months immediately preceding his or her election.

(b) A qualified elector within the City.

3. Each Council Member:

(a) Must be a qualified elector who has resided in the ward which he or she represents for at least 30 days immediately preceding the last day for filing a declaration of candidacy for his or her office.

(b) Must continue to live in the ward he or she represents, except that changes in ward boundaries made pursuant to section 1.045 ~~[of this Charter]~~ will not affect the right of any elected Council Member to continue in office for the term for which he or she was elected.

4. At the time of filing, if so required by an ordinance duly enacted, candidates for the office of Mayor and Council Member shall produce evidence in satisfaction of any or all of the qualifications provided in subsection 2 or 3, whichever is applicable.

5. Each Council Member must be voted upon only by the registered voters of the ward that he or she seeks to represent, and *except as otherwise provided in sections 5.010 and 5.025*, his or her term of office is 4 years.

6. The Mayor must be voted upon by the registered voters of the City at large, and *except as otherwise provided in sections 5.010 and 5.025*, his or her term of office is 4 years.

7. The Mayor and Council Members are entitled to receive a salary in an amount fixed by the City Council.

Sec. 42. Section 4.005 of the Charter of the City of North Las Vegas, being chapter 215, Statutes of Nevada 1997, as amended by chapter 73, Statutes of Nevada 2003, at page 484, is hereby amended to read as follows:

Sec. 4.005 Municipal Court.

1. There is a Municipal Court of the City which consists of at least one department. Each department must be presided over by a Municipal Judge and has such power and jurisdiction as is prescribed in, and is, in all respects which are not inconsistent with this Charter, governed by the provisions of chapters 5 and 266 of NRS which relate to municipal courts.

2. The City Council may, from time to time, by ordinance, establish additional departments of the Municipal Court and shall appoint an additional Municipal Judge for each additional department.

3. At the first ~~[municipal]~~ primary or ~~[municipal]~~ general *municipal* election that follows the appointment of an additional Municipal Judge to a newly created department of the Municipal Court, the successor to that Municipal Judge must be elected for an initial term of not more than 6 years, as determined by the City Council, in order that, as nearly as practicable, one-third of the number of Municipal Judges be elected every 2 years.

4. Except as otherwise provided by the ordinance establishing an additional department, each Municipal Judge must be voted upon by the registered voters of the City at large and , *except as otherwise provided in sections 5.010 and 5.025*, holds office for a period of 6 years and until his or her successor has been elected and qualified.

5. The respective departments of the Municipal Court must be numbered 1 through the appropriate Arabic numeral, as additional departments are approved by the City Council. A Municipal Judge must be elected for each department by number.

Sec. 43. Section 5.010 of the Charter of the City of North Las Vegas, being chapter 573, Statutes of Nevada 1971, as last amended by chapter 499, Statutes of Nevada 2005, at page 2691, is hereby amended to read as follows:

Sec. 5.010 General municipal elections.

1. *Except as otherwise provided in section 5.025:*

(a) On the Tuesday after the first Monday in June 1977, and at each successive interval of 4 years thereafter, there must be elected, at a general municipal election to be held for that purpose, a Mayor and two Council Members who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~{2}~~ (b) On the Tuesday after the first Monday in June 1975, and at each successive interval of 4 years thereafter, there must be elected, at a general municipal election to be held for that purpose, two Council Members, who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~{3}~~ 2. In ~~[such]~~ a general municipal election:

(a) A candidate for the office of City Council Member must be elected only by the registered voters of the ward that he or she seeks to represent.

(b) Candidates for all other elective offices must be elected by the registered voters of the City at large.

Sec. 44. Section 5.020 of the Charter of the City of North Las Vegas, being chapter 573, Statutes of Nevada 1971, as last amended by chapter 9, Statutes of Nevada 2009, at page 17, is hereby amended to read as follows:

Sec. 5.020 Primary municipal elections; declaration of candidacy.

1. The City Council shall provide by ordinance for candidates for elective office to declare their candidacy and file the necessary documents. The seats for City Council Members must be designated by the numbers one through four, which numbers must correspond with the wards the candidates for City Council Members will seek to represent. A candidate for the office of City Council Member shall include in his or her declaration of candidacy the number of the ward which he or she seeks to represent. Each candidate for City Council must be designated as a candidate for the City Council seat that corresponds with the ward that he or she seeks to represent.

2. ~~{A}~~ *Except as otherwise provided in section 5.025, a primary municipal* election must be held on the Tuesday following the first Monday in April preceding the general municipal election, at which time there must

be nominated candidates for offices to be voted for at the next general *municipal* election. In the primary *municipal* election:

(a) A candidate for the office of City Council Member must be voted upon only by the registered voters of the ward that he or she seeks to represent.

(b) Candidates for all other elective offices must be voted upon by the registered voters of the City at large.

3. Except as otherwise provided in subsection 4, after the primary *municipal* election, the names of the two candidates who receive the highest number of votes must be placed on the ballot for the general *municipal* election.

4. If, regardless of the number of candidates for an office, one candidate receives a majority of the total votes cast for that office in the primary *municipal* election, he or she must be declared elected to that office and no general *municipal* election need be held for that office.

Sec. 45. (Deleted by amendment.)

Sec. 46. Section 2.010 of the Charter of the City of Yerington, being chapter 465, Statutes of Nevada 1971, as last amended by chapter 98, Statutes of Nevada 1977, at page 213, is hereby amended to read as follows:

Sec. 2.010 City Council: Qualifications; election; term of office; salary.

1. The legislative power of the City is vested in a City Council consisting of four Council Members.

2. The Council Members ~~[shall]~~ **must** be:

(a) Bona fide residents of the City for at least 6 months immediately preceding their election.

(b) Qualified electors in the City.

3. All Council Members ~~[shall]~~ **must** be voted upon by the registered voters of the City at large and , **except as otherwise provided in section 5.010**, shall serve for terms of 4 years.

4. The Council Members shall receive a salary in an amount fixed by the City Council.

Sec. 47. Section 5.010 of the Charter of the City of Yerington, being chapter 465, Statutes of Nevada 1971, at page 912, is hereby amended to read as follows:

Sec. 5.010 Municipal elections.

1. **Except as otherwise provided in subsection 2:**

(a) On the ~~[1st]~~ **first** Tuesday after the ~~[1st]~~ **first** Monday in June 1975, and at each successive interval of 4 years, there ~~[shall]~~ **must** be elected by the qualified voters of the City , at a general *municipal* election to be held for that purpose , a Mayor and two Council Members, who shall hold office for a period of 4 years and until their successors have been elected and qualified.

~~[2.]~~ (b) On the ~~[1st]~~ **first** Tuesday after the ~~[1st]~~ **first** Monday in June 1977, and at each successive interval of 4 years thereafter, there ~~[shall]~~ **must** be elected by the qualified voters of the City , at a general *municipal* election to be held for that purpose , two Council Members, who shall hold office for a period of 4 years and until their successors have been elected and qualified.

2. The City Council may by ordinance provide for a primary municipal election and general municipal election on the dates set forth for primary elections and general elections pursuant to the provisions of chapter 293 of NRS.

3. If the City Council adopts an ordinance pursuant to subsection 2, the dates set forth in NRS 293.12755, in subsections 2 to 5, inclusive, of NRS 293.165 and in NRS 293.175, 293.177, 293.345 and 293.368 apply for the purposes of conducting the primary municipal elections and general municipal elections.

4. If the City Council adopts an ordinance pursuant to subsection 2, the term of office of any elected official may be shortened but may not be lengthened as a result of the ordinance.

Sec. 48. (Deleted by amendment.)

Sec. 49. (Deleted by amendment.)

Sec. 50. This act becomes effective upon passage and approval.

Assemblyman Segerblom moved that the Assembly concur in the Senate amendment to Assembly Bill No. 132.

Remarks by Assemblyman Segerblom.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Assembly Bill No. 160.

The following Senate amendment was read:

Amendment No. 664.

AN ACT relating to medical facilities; revising provisions governing the form and publication of financial reports of certain medical facilities; requiring hospitals to include certain information in the financial reports submitted by the hospitals; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires certain medical facilities to file financial information with the Department of Health and Human Services. (NRS 449.490) **Section 2** of this bill requires that financial statements filed by certain hospitals include additional financial information about the hospitals. **Section 2** further requires these reports and other related reports from medical institutions to be in a form which is readily understandable by members of the general public and included on an Internet website maintained by the Nevada Department of Health and Human Services. In addition, **section 1** of this bill specifies additional information that must be included on the Internet website. Under existing law, the Director of the Department is authorized to impose an administrative penalty of not more than \$500 per day for a violation of these reporting requirements. (NRS 449.530)

Existing law requires the Director of the Department to submit a report to the Legislative Committee on Health Care and the Interim Finance Committee of the Department's operations and activities for the preceding

fiscal year. (NRS 449.520) **Section 3** of this bill requires that the report include an analysis of the methodologies used to determine the corporate home office allocation of hospitals in this State.

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

Section 1. NRS 439A.270 is hereby amended to read as follows:

439A.270 1. The Department shall establish and maintain an Internet website that includes the information concerning the charges imposed and the quality of the services provided by the hospitals and surgical centers for ambulatory patients in this State as required by the programs established pursuant to NRS 439A.220 and 439A.240. The information must:

(a) Include, for each hospital in this State, the total number of patients discharged, the average length of stay and the average billed charges, reported for the 50 most frequent diagnosis-related groups for inpatients and 50 medical treatments for outpatients that the Department determines are most useful for consumers;

(b) Include, for each surgical center for ambulatory patients in this State, the total number of patients discharged and the average billed charges, reported for 50 medical treatments for outpatients that the Department determines are most useful for consumers;

(c) Be presented in a manner that allows a person to view and compare the information for the hospitals by:

- (1) Geographic location of each hospital;
- (2) Type of medical diagnosis; and
- (3) Type of medical treatment;

(d) Be presented in a manner that allows a person to view and compare the information for the surgical centers for ambulatory patients by:

- (1) Geographic location of each surgical center for ambulatory patients;
- (2) Type of medical diagnosis; and
- (3) Type of medical treatment;

(e) Be presented in a manner that allows a person to view and compare the information separately for:

- (1) The inpatients and outpatients of each hospital; and
- (2) The outpatients of each surgical center for ambulatory patients;

(f) Be readily accessible and understandable by a member of the general public;

(g) Include the annual summary of reports of sentinel events prepared pursuant to paragraph (d) of subsection 1 of NRS 439.840; ~~and~~

(h) ***Include a link to electronic copies of all reports, summaries, compilations and supplementary reports required by NRS 449.450 to 449.530, inclusive;***

(i) ***Include, for each hospital ~~in this State,~~ with 100 or more beds, a summary of financial information which is readily understandable by a***

member of the general public and which includes, without limitation, a summary of:

(1) The expenses of the hospital which are attributable to providing community benefits and in-kind services as reported pursuant to NRS 449.490;

(2) The capital improvement report submitted to the Department pursuant to NRS 449.490;

(3) The net income of the hospital;

(4) The net income of the consolidated corporation, if the hospital is owned by such a corporation and if that information is publicly available;

(5) The operating margin of the hospital;

(6) The ratio of the cost of providing care to patients covered by Medicare to the charges for such care;

(7) The ratio of the total costs to charges of the hospital; and

(8) The average daily occupancy of the hospital; and

(j) Provide any other information relating to the charges imposed and the quality of the services provided by the hospitals and surgical centers for ambulatory patients in this State which the Department determines is:

(1) Useful to consumers;

(2) Nationally recognized; and

(3) Reported in a standard and reliable manner.

2. The Department shall:

(a) Publicize the availability of the Internet website;

(b) Update the information contained on the Internet website at least quarterly;

(c) Ensure that the information contained on the Internet website is accurate and reliable;

(d) Ensure that the information contained on the Internet website is aggregated so as not to reveal the identity of a specific inpatient or outpatient of a hospital;

(e) Post a disclaimer on the Internet website indicating that the information contained on the website is provided to assist with the comparison of hospitals and is not a guarantee by the Department or its employees as to the charges imposed by the hospitals in this State or the quality of the services provided by the hospitals in this State, including, without limitation, an explanation that the actual amount charged to a person by a particular hospital may not be the same charge as posted on the website for that hospital;

(f) Provide on the Internet website established pursuant to this section a link to the Internet website of the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services; and

(g) Upon request, make the information that is contained on the Internet website available in printed form.

3. As used in this section, “diagnosis-related group” means groupings of medical diagnostic categories used as a basis for hospital payment schedules by Medicare and other third-party health care plans.

Sec. 2. NRS 449.490 is hereby amended to read as follows:

449.490 1. Every institution which is subject to the provisions of NRS 449.450 to 449.530, inclusive, shall file with the Department the following financial statements or reports in a form and at intervals specified by the Director but at least annually:

(a) A balance sheet detailing the assets, liabilities and net worth of the institution for its fiscal year; and

(b) A statement of income and expenses for the fiscal year.

2. Each hospital with 100 or more beds shall file with the Department, in a form and at intervals specified by the Director but at least annually, a capital improvement report which includes, without limitation, any major service line that the hospital has added or is in the process of adding since the previous report was filed, any major expansion of the existing facilities of the hospital that has been completed or is in the process of being completed since the previous report was filed, and any major piece of equipment that the hospital has acquired or is in the process of acquiring since the previous report was filed.

3. In addition to the information required to be filed pursuant to subsections 1 and 2, each hospital with 100 or more beds shall file with the Department, in a form and at intervals specified by the Director but at least annually:

(a) ~~[(The corporate home office allocation methodology of the hospital, if any-~~

~~(b)]~~ The expenses that the hospital has incurred for providing community benefits and the in-kind services that the hospital has provided to the community in which it is located. ***These expenses must be reported as the total amount expended for community benefits and in-kind services and reported as a percentage of the total net revenues of the hospital.*** For the purposes of this paragraph, “community benefits” includes, without limitation, goods, services and resources provided by a hospital to a community to address the specific needs and concerns of that community, services provided by a hospital to the uninsured and underserved persons in that community, training programs for employees in a community and health care services provided in areas of a community that have a critical shortage of such services, for which the hospital does not receive full reimbursement.

~~[(c)]~~ (b) A statement of its policies and procedures for providing discounted services to, or reducing charges for services provided to, persons without health insurance that are in addition to any reduction or discount required to be provided pursuant to NRS 439B.260.

~~[(d)]~~ (c) ***A list of the services which the hospital purchased from its corporate home office;***

(d) A report of the cost to the hospital of providing services to patients covered by Medicare;

(e) Financial information from the consolidated corporation, if the hospital is owned by such a corporation and if that information is publicly available, including, without limitation, the annual report of the consolidated corporation;

(f) A statement of its policies regarding patients' account receivables, including, without limitation, the manner in which a hospital collects or makes payment arrangements for patients' account receivables, the factors that initiate collections and the method by which unpaid account receivables are collected.

4. A complete current charge master must be available at each hospital during normal business hours for review by the Director, any payor that has a contract with the hospital to pay for services provided by the hospital, any payor that has received a bill from the hospital and any state agency that is authorized to review such information. The complete and current charge master must be made available to the Department, at the request of the Director, in an electronic format specified by the Department. The Department may use the electronic copy of the charge master to review and analyze the data contained in the charge master and, except as otherwise provided in NRS 439A.200 to 439A.290, inclusive, shall not release or publish the information contained in the charge master.

5. The Director shall require the certification of specified financial reports by an independent certified public accountant and may require attestations from responsible officers of the institution that the reports are, to the best of their knowledge and belief, accurate and complete to the extent that the certifications and attestations are not required by federal law.

6. The Director shall require ~~the~~ :

(a) The filing of all reports by specified dates, and may adopt regulations which assess penalties for failure to file as required ~~[, but the Director shall not require the]~~ ; *and*

(b) The submission of a final annual report ~~[sooner]~~ *not later* than 6 months after the close of the fiscal year,

↪ *and* may grant extensions to institutions which can show that the required information is not available on the required reporting date.

7. All reports, except privileged medical information, filed under any provisions of NRS 449.450 to 449.530, inclusive ~~[, are]~~ :

(a) Are open to public inspection ~~[and must]~~ ;

(b) Must be in a form which is readily understandable by a member of the general public;

(c) Must, as soon as practicable after those reports become available, be posted on the Internet website maintained pursuant to NRS 439A.270; and

(d) Must be available for examination at the office of the Department during regular business hours.

Sec. 3. NRS 449.520 is hereby amended to read as follows:

449.520 1. On or before October 1 of each year, the Director shall prepare and transmit to the Governor, the Legislative Committee on Health Care and the Interim Finance Committee a report of the Department's operations and activities for the preceding fiscal year.

2. The report prepared pursuant to subsection 1 must include:

(a) Copies of all *reports*, summaries, compilations and supplementary reports required by NRS 449.450 to 449.530, inclusive, together with such facts, suggestions and policy recommendations as the Director deems necessary;

(b) A summary of the trends of the audits of hospitals in this State that the Department required or performed during the previous year;

(c) An analysis of the trends in the costs, expenses and profits of hospitals in this State;

(d) An analysis of the *methodologies used to determine the* corporate home office allocation ~~[methodologies]~~ of hospitals in this State;

(e) An examination and analysis of the manner in which hospitals are reporting the information that is required to be filed pursuant to NRS 449.490, including, without limitation, an examination and analysis of whether that information is being reported in a standard and consistent manner, which fairly reflect the operations of each hospital;

(f) A review and comparison of the policies and procedures used by hospitals in this State to provide discounted services to, and to reduce charges for services provided to, persons without health insurance;

(g) A review and comparison of the policies and procedures used by hospitals in this State to collect unpaid charges for services provided by the hospitals; and

(h) A summary of the status of the programs established pursuant to NRS 439A.220 and 439A.240 to increase public awareness of health care information concerning the hospitals and surgical centers for ambulatory patients in this State, including, without limitation, the information that was posted in the preceding fiscal year on the Internet website maintained for those programs pursuant to NRS 439A.270.

3. The Legislative Committee on Health Care shall develop a comprehensive plan concerning the provision of health care in this State which includes, without limitation:

(a) A review of the health care needs in this State as identified by state agencies, local governments, providers of health care and the general public; and

(b) A review of the capital improvement reports submitted by hospitals pursuant to subsection 2 of NRS 449.490.

Sec. 4. (Deleted by amendment.)

Assemblywoman Smith moved that the Assembly concur in the Senate amendment to Assembly Bill No. 160.

Remarks by Assemblywoman Smith.
Motion carried by a constitutional majority.
Bill ordered enrolled.

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Frierson, Benitez-Thompson, and Hammond as a Conference Committee to meet with a like committee of the Senate for the further consideration of Assembly Bill No. 362.

RECEDE FROM ASSEMBLY AMENDMENTS

Senate Bill No. 264

Assemblywoman Mastroluca moved that the Assembly do not recede from its action on Senate Bill No. 264, that a conference be requested, and that Mr. Speaker appoint a first Conference Committee consisting of three members to meet with a like committee of the Senate.

Remarks by Assemblywoman Mastroluca.
Motion carried.

APPOINTMENT OF CONFERENCE COMMITTEES

Mr. Speaker appointed Assemblymen Pierce, Hammond, and Benitez-Thompson as a Conference Committee to meet with a like committee of the Senate for the further consideration of Senate Bill No. 264.

SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the Speaker and Chief Clerk signed Assembly Bills Nos. 196, 365, 382, 422, 459, 477, 478, 551; Assembly Joint Resolution No. 5 of the 75th Session; Assembly Concurrent Resolution No. 11; Senate Bills Nos. 245, 470, 474, 478, 479, 482; Senate Concurrent Resolutions Nos. 1 and 2.

GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Frierson, the privilege of the floor of the Assembly Chamber for this day was extended to Abbie Parolise.

Assemblyman Conklin moved that the Assembly adjourn until Sunday, May 29, 2011, at 12:30 p.m.

Motion carried.

Assembly adjourned at 4:25 p.m.

Approved:

JOHN OCEGUERA
Speaker of the Assembly

Attest: SUSAN FURLONG
Chief Clerk of the Assembly