Senate called to order at 11:48 a.m.
President Krolicki presiding.
Roll called.
All present.
Prayer by Pastor Albert Tilstra.
We, pray, O God, that You fill this sacred minute with meaning and make it an oasis for the refreshment of our souls, a window cleaning for our vision and a recharging of the batteries of our spirits.
Let us have less talking and more thinking, less work and more worship, less pressure and more worship, less pressure and more praying.
For if we are too busy to pray, we are far busier than we have any right to be.
In Your holy Name, we pray.
AMEN.
Pledge of Allegiance to the Flag.
Senator Horsford moved that further reading of the Journal be dispensed with, and the President and Secretary be authorized to make the necessary corrections and additions.
Motion carried.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Finance, to which were referred Senate Bill No. 486; Assembly Bills Nos. 497, 515, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

STEVEN A. HORSFORD, Chair

Mr. President:
Your Committee on Government Affairs, to which were referred Assembly Bills Nos. 330, 402, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JOHN J. LEE, Chair

Mr. President:
Your Committee on Judiciary, to which was referred Assembly Bill No. 259, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

VALERIE WIENER, Chair

Mr. President:
Your Committee on Legislative Operations and Elections, to which was referred Senate Bill No. 341, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.
Also, your Committee on Legislative Operations and Elections, to which were referred Senate Concurrent Resolution No. 5; Assembly Concurrent Resolution No. 10, has had the same under consideration, and begs leave to report the same back with the recommendation: Be adopted.

DAVID R. PARKS, Chair
MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, June 2, 2011

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 567 to Assembly Bill No. 82; Senate Amendment No. 860 to Assembly Bill No. 225; Senate Amendment No. 861 to Assembly Bill No. 229; Senate Amendment No. 689 to Assembly Bill No. 337.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 658 to Assembly Bill No. 199.

MATTHEW BAKER
Assistant Chief Clerk of the Assembly

SECOND READING AND AMENDMENT

Senate Bill No. 320.
Bill read second time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 850.
"SUMMARY—Revises provisions governing certain motor carriers.
(BDR 58-1051)"
"AN ACT relating to motor carriers; requiring persons who wish to be employed as drivers for certain motor carriers subject to the jurisdiction of the Nevada Transportation Authority, certain short-term lessors to obtain a driver's permit certificate of public convenience and necessity issued by the Nevada Transportation Authority; requiring the suspension of the drivers' licenses of certain persons who fail to pay administrative fines to the Authority; providing a fee; providing penalties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law provides for the regulation of certain motor carriers in this State by the Nevada Transportation Authority. (NRS 706.011-706.791) This bill requires a person who wishes to be employed or enter into a contract or lease as a driver for certain motor carriers subject to the jurisdiction of the Authority, short-term lessor that offers, arranges for or allows the use of a paid driver, whether directly or through an affiliated person, to obtain a driver's permit certificate of public convenience and necessity issued by the Authority. [This bill also establishes] Existing law provides for the requirements, fees, and procedures to obtain such a permit certificate. (NRS 706.011-706.791)

Sections 4.7 and 10.1 of this bill require the suspension of the driver's license of a person who fails to pay certain administrative fines and related costs to the Authority. Section 10.1 requires a person whose driver's license is suspended for the nonpayment of administrative fines to the Authority to pay that administrative fine and to pay a fee for the reinstatement of his or her driver's license.

Existing law provides that a short-term lessor is not liable for a fine or penalty related to the impoundment of certain vehicles if the vehicle was not in the control of the shorter-term lessor at the time that it was
impounded. (NRS 706.478) Section 8.7 of this bill deletes the requirement that a true copy of the lease or rental agreement pursuant to which a vehicle was leased or rented to a lessee by the short-term lessor is prima facie evidence that the short-term lessor was not in control of the impounded vehicle.

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

Section 1. Chapter 706 of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4, inclusive, of this act.

Sec. 2. A person shall not drive a motor vehicle for a fully regulated carrier of passengers or a taxicab motor carrier as an employee, independent contractor or lessee unless the person has a driver's permit issued by the Authority pursuant to this section.

2. The Authority shall issue a driver's permit to each applicant who satisfies the requirements of this section. Before issuing a driver's permit, the Authority shall:

(a) Require the applicant to submit a complete set of his or her fingerprints, which the Authority may forward to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to ascertain whether the applicant has a criminal record and the nature of any such record, and shall further investigate the applicant's background; and

(b) Require proof that the applicant is employed or under a contract or lease agreement or has an offer of employment, a contract or a lease agreement that is contingent on the applicant's obtaining a driver's permit pursuant to this section and:

(1) Has a valid license issued pursuant to NRS 483.340 which authorizes the applicant to drive in this State any motor vehicle that is within the scope of the employment, contract or lease; or

(2) If the driver is a resident of a state other than Nevada, has a valid license issued by the state in which he or she resides which authorizes the applicant to drive any motor vehicle that is within the scope of the employment, contract or lease.

3. The Authority may refuse to issue a driver's permit if the applicant has been convicted of:

(a) A felony, other than a sexual offense, in this State or any other jurisdiction within the 5 years immediately preceding the date of the application;

(b) A felony involving any sexual offenses in this State or any other jurisdiction at any time before the date of the application; or

(c) A violation of NRS 484C.110 or 484C.430 or a law of any other jurisdiction that prohibits the same or similar conduct within the 3 years immediately preceding the date of the application.

4. A driver's permit issued pursuant to this section is valid:

(a) If it is an original permit, for not longer than 1 year; or
If it is a renewal permit, for not longer than 3 years, but lapses if the driver ceases to be employed by the carrier identified in the application for the original or renewal permit or if the contract or lease expires and the driver enters into a contract or lease with a different carrier. A driver must notify the Authority within 10 days after the lapse of a permit and obtain a new permit pursuant to this section before driving for a different carrier.

5. An applicant shall pay to the Authority:
   (a) For an original driver’s permit, a fee not to exceed $50; and
   (b) For the renewal of a driver’s permit, a fee not to exceed $50.

6. The provisions of this section:
   (a) Do not apply to a driver who is employed by or under contract with:
      (1) The owner or operator of a charter bus which is not a fully regulated carrier;
      (2) A person or organization that provides a transportation service for persons with disabilities if the driver is certified as an emergency medical technician, intermediate emergency medical technician or advanced emergency medical technician pursuant to chapter 450B of NRS;
      (3) The owner or operator of any motor vehicle that is not subject to regulation by the Authority pursuant to NRS 706.011 to 706.791, inclusive, and sections 2, 3 and 4 of this act.

Sec. 3. 1. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a driver’s permit pursuant to section 2 of this act shall:
   (a) Include the social security number of the applicant in the application submitted to the Authority.
   (b) Submit to the Authority the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.

2. The Authority shall include the statement required pursuant to subsection 1 in:
   (a) The application or any other forms that must be submitted for the issuance or renewal of the driver’s permit; or
   (b) A separate form prescribed by the Authority.

3. A driver’s permit may not be issued or renewed by the Authority if the applicant:
   (a) Fails to submit the statement required pursuant to subsection 1; or
   (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
4. If an applicant indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Authority shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage. (Deleted by amendment.)

Sec. 4.1. If the Authority receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational, and recreational licenses, certificates, and permits issued to a person who is the holder of a driver's permit, the Authority shall deem the permit issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Authority receives a letter issued to the holder of the driver's permit by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the driver's permit has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

Sec. 4.2. The Authority shall reinstate a driver's permit that has been suspended by a district court pursuant to NRS 425.540 if the Authority receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose driver's permit was suspended stating that the person whose driver's permit was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560. (Deleted by amendment.)

Sec. 4.3. "Short-term lessor" means a person who has leased a vehicle to another person for a period of 31 days or less, or by the day, or by the trip.

Sec. 4.7. 1. If the Authority imposes an administrative fine pursuant to NRS 706.476 or 706.771 in an amount greater than $100, the person who is responsible for payment of the administrative fine shall:
   (a) Pay to the Authority the full amount of the administrative fine and any other costs owed by that person related to the administrative fine; or
   (b) If the person is unable to pay the full amount owed, enter into a plan of repayment with the Authority for the payment over time of the administrative fine.

2. The Authority shall, within 20 days after imposing an administrative fine pursuant to NRS 706.476 or 706.771, provide notice by first-class mail to the person against whom the administrative fine is imposed. The notice must include a statement:
   (a) Of the amount of the administrative fine and any other costs which must be paid to the Authority;
   (b) That the person must, within 14 days after receiving the notice:
      (1) Pay to the Authority the full amount of the administrative fine and any other costs; or
(2) If a plan of repayment has been approved by the Authority, comply with the terms of the plan of repayment; and
(c) That the Authority is required to notify the Department of Motor Vehicles of the failure to pay the amount owed and that the Department may suspend the driver's license of the person for failure to pay the administrative fine and any other costs.

3. The Authority shall provide to the Department of Motor Vehicles the name of a person to whom a notice is sent pursuant to paragraph (b) of subsection 2, including, without limitation, the date on which the notice was sent.

4. The Authority shall, within 5 days after receiving payment from a person or approving a plan of repayment, notify the Department of Motor Vehicles that the person has satisfied the requirements of payment of the administrative fine and any other costs owed by the person.

5. The provisions of this section do not relieve the Authority of any obligation to notify the State Controller of any debt that is past due pursuant to chapter 353C of NRS.

Sec. 5. NRS 706.011 is hereby amended to read as follows:

706.011 As used in NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 706.013 to 706.146, inclusive, and section 4.3 of this act have the meanings ascribed to them in those sections.

Sec. 5.5. NRS 706.041 is hereby amended to read as follows:

706.041 "Common motor carrier of passengers" means any person or operator, including a taxicab motor carrier, who is held out to the public as willing to transport by vehicle from place to place, either upon fixed route or on-call operations, passengers or passengers and light express for all who may choose to employ the person or operator. The term includes, without limitation, a taxicab motor carrier and a short-term lessor who offers, arranges for or allows the use of a paid driver, whether directly or through an affiliated person.

Sec. 6. NRS 706.158 is hereby amended to read as follows:

706.158 The provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act relating to brokers do not apply to any person whom the Authority determines is:
1. A motor club which holds a valid certificate of authority issued by the Commissioner of Insurance;
2. A bona fide charitable organization, such as a nonprofit corporation or a society, organization or association for educational, religious, scientific or charitable purposes; or
3. A broker of transportation services provided by an entity that is exempt pursuant to NRS 706.745 from the provisions of NRS 706.386 or 706.421.

Sec. 7. NRS 706.163 is hereby amended to read as follows:
The provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act do not apply to vehicles leased to or owned by:
1. The Federal Government or any instrumentality thereof.
2. Any state or a political subdivision thereof.

Sec. 8. NRS 706.2885 is hereby amended to read as follows:
706.2885 1. A certificate of public convenience and necessity, permit or license issued in accordance with this chapter is not a franchise and may be revoked.
2. The Authority may at any time, for good cause shown, after investigation and hearing and upon 5 days' written notice to the grantee, suspend any certificate, permit or license issued in accordance with the provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act for a period not to exceed 60 days.
3. Upon receipt of a written complaint or on its own motion, the Authority may, after investigation and hearing, revoke any certificate, permit or license. If service of the notice required by subsection 2 cannot be made or if the grantee relinquishes the grantee's interest in the certificate, permit or license by so notifying the Authority in writing, the Authority may revoke the certificate, permit or license without a hearing.
4. The proceedings thereafter are governed by the provisions of chapter 233B of NRS.

Sec. 8.3. NRS 706.386 is hereby amended to read as follows:
706.386 It is unlawful, except as otherwise provided in NRS 277A.280, 706.446, 706.453 and 706.745, for any:
1. Fully regulated common motor carrier to operate as a carrier of intrastate commerce;
2. Short-term lessor licensed pursuant to NRS 482.363 to offer, arrange for or allow the use of a paid driver, whether directly or through an affiliated person;
3. Owner or operator of a charter bus which is not a fully regulated carrier to operate as a carrier of intrastate commerce; or
4. Operator of a tow car to perform towing services within this State, without first obtaining a certificate of public convenience and necessity from the Authority.

Sec. 8.7. NRS 706.478 is hereby amended to read as follows:
706.478 1. Notwithstanding any provision of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act, to the contrary, if the registered owner of a vehicle which is impounded pursuant to NRS 706.476 is a short-term lessor licensed pursuant to NRS 482.363 who is engaged solely in the business of renting or leasing vehicles in accordance with NRS 482.295 to 482.3159, inclusive, the registered owner is not liable for any administrative fine or other penalty that may be imposed by the Authority for the operation of a passenger vehicle in violation of
NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act if at the time that the vehicle was impounded, the vehicle was in the care, custody or control of a lessee.

2. A short-term lessor may establish that a vehicle was subject to the care, custody or control of a lessee at the time that the vehicle was impounded pursuant to NRS 706.476 by submitting to the Authority a true copy of the lease or rental agreement pursuant to which the vehicle was leased or rented to the lessee by the short-term lessor. [The submission of a true copy of a lease or rental agreement is prima facie evidence that the vehicle was in the care, custody or control of the lessee.]

3. Upon the receipt of a true copy of a written lease or rental agreement pursuant to subsection 2 which evidences that the vehicle impounded by the Authority pursuant to NRS 706.476 was under the care, custody or control of a lessee and not the registered owner of the vehicle, the Authority shall release the vehicle to the short-term lessor.

4. As used in this section, "short-term lessor" has the meaning ascribed to it in NRS 482.053.

Sec. 9. NRS 706.736 is hereby amended to read as follows:

706.736 1. Except as otherwise provided in subsection 2, the provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act do not apply to:

(a) The transportation by a contractor licensed by the State Contractors' Board of the contractor's own equipment in the contractor's own vehicles from job to job.

(b) Any person engaged in transporting the person's own personal effects in the person's own vehicle, but the provisions of this subsection do not apply to any person engaged in transportation by vehicle of property sold or to be sold, or used by the person in the furtherance of any commercial enterprise other than as provided in paragraph (d), or to the carriage of any property for compensation.

(c) Special mobile equipment.

(d) The vehicle of any person, when that vehicle is being used in the production of motion pictures, including films to be shown in theaters and on television, industrial training and educational films, commercials for television and video discs and tapes.

(e) A private motor carrier of property which is used for any convention, show, exhibition, sporting event, carnival, circus or organized recreational activity.

(f) A private motor carrier of property which is used to attend livestock shows and sales.

(g) The transportation by a private school of persons or property in connection with the operation of the school or related school activities, so long as the vehicle that is used to transport the persons or property does not have a gross vehicle weight rating of 26,001 pounds or more and is not registered pursuant to NRS 706.801 to 706.861, inclusive.
2. Unless exempted by a specific state statute or a specific federal statute, regulation or rule, any person referred to in subsection 1 is subject to:
   (a) The provisions of paragraph (d) of subsection 1 of NRS 706.171 and NRS 706.235 to 706.256, inclusive, 706.281, 706.457 and 706.458.
   (b) All rules and regulations adopted by reference pursuant to paragraph (b) of subsection 1 of NRS 706.171 concerning the safety of drivers and vehicles.
   (c) All standards adopted by regulation pursuant to NRS 706.173.
3. The provisions of NRS 706.311 to 706.453, inclusive, 706.471, 706.473, 706.475 and 706.6411 which authorize the Authority to issue:
   (a) Except as otherwise provided in paragraph (b), certificates of public convenience and necessity and contract carriers' permits and to regulate rates, routes and services apply only to fully regulated carriers.
   (b) Certificates of public convenience and necessity to operators of tow cars and to regulate rates for towing services performed without the prior consent of the owner of the vehicle or the person authorized by the owner to operate the vehicle apply to operators of tow cars.
4. Any person who operates pursuant to a claim of an exemption provided by this section but who is found to be operating in a manner not covered by any of those exemptions immediately becomes liable, in addition to any other penalties provided in this chapter, for the fee appropriate to the person's actual operation as prescribed in this chapter, computed from the date when that operation began.
5. As used in this section, "private school" means a nonprofit private elementary or secondary educational institution that is licensed in this State.

Sec. 10. NRS 706.756 is hereby amended to read as follows:

706.756 1. Except as otherwise provided in subsection 2, any person who:
   (a) Operates a vehicle or causes it to be operated in any carriage to which the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act apply without first obtaining a certificate, permit or license, or in violation of the terms thereof;
   (b) Fails to make any return or report required by the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act or by the Authority or the Department pursuant to the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act;
   (c) Violates, or procures, aids or abets the violating of, any provision of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act;
   (d) Fails to obey any order, decision or regulation of the Authority or the Department;
   (e) Procures, aids or abets any person in the failure to obey such an order, decision or regulation of the Authority or the Department;
(f) Advertises, solicits, proffers bids or otherwise is held out to perform transportation as a common or contract carrier in violation of any of the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act;

(g) Advertises as providing:
   (1) The services of a fully regulated carrier; or
   (2) Towing services, without including the number of the person's certificate of public convenience and necessity or contract carrier's permit in each advertisement;

(h) Knowingly offers, gives, solicits or accepts any rebate, concession or discrimination in violation of the provisions of this chapter;

(i) Knowingly, willfully and fraudulently seeks to evade or defeat the purposes of this chapter;

(j) Operates or causes to be operated a vehicle which does not have the proper identifying device;

(k) Displays or causes or permits to be displayed a certificate, permit, license or identifying device, knowing it to be fictitious or to have been cancelled, revoked, suspended or altered;

(l) Lends or knowingly permits the use of by one not entitled thereto any certificate, permit, license or identifying device issued to the person so lending or permitting the use thereof; or

(m) Refuses or fails to surrender to the Authority or Department any certificate, permit, license or identifying device which has been suspended, cancelled or revoked pursuant to the provisions of this chapter, is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $100 nor more than $1,000, or by imprisonment in the county jail for not more than 6 months, or by both fine and imprisonment.

2. Any person who, in violation of the provisions of NRS 706.386, operates as a fully regulated common motor carrier without first obtaining a certificate of public convenience and necessity or any person who, in violation of the provisions of NRS 706.421, operates as a contract motor carrier without first obtaining a permit is guilty of a misdemeanor and shall be punished:

   (a) For a first offense within a period of 12 consecutive months, by a fine of not less than $500 nor more than $1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.

   (b) For a second offense within a period of 12 consecutive months and for each subsequent offense that is committed within a period of 12 consecutive months of any prior offense under this subsection, by a fine of $1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.

3. Any person who, in violation of the provisions of NRS 706.386, operates or permits the operation of a vehicle in passenger service without
first obtaining a certificate of public convenience and necessity is guilty of a gross misdemeanor.

4. If a law enforcement officer witnesses a violation of any provision of subsection 2 or 3, the law enforcement officer may cause the vehicle to be towed immediately from the scene and impounded in accordance with NRS 706.476.

5. The fines provided in this section are mandatory and must not be reduced under any circumstances by the court.

6. Any bail allowed must not be less than the appropriate fine provided for by this section.

Sec. 10.1. Chapter 483 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Upon receipt of notice from the Nevada Transportation Authority pursuant to section 4.7 of this act regarding a driver's delinquency with respect to the payment of an administrative fine and any other costs owed to the Authority pursuant to NRS 706.476 or 706.771, the Department shall notify the driver by mail that his or her driver's license is subject to suspension and allow 30 days after the date of mailing the notice to:

   (a) Pay to the Authority the delinquent administrative fine and other costs or comply with a plan of repayment approved pursuant to section 4.7 of this act; or

   (b) Make a written request to the Department for a hearing.

2. If notified by the Nevada Transportation Authority, within 30 days after the notice of a delinquency in the payment of an administrative fine, that a driver has entered into a plan for repayment approved pursuant to section 4.7 of this act, the Department shall stop the suspension of the driver's license from going into effect. If the driver subsequently defaults on the plan of repayment with the Authority, the Authority shall notify the Department which shall immediately suspend the driver's license until the Authority notifies the Department that the license is eligible for reinstatement.

3. The Department shall suspend the driver's license of a driver 31 days after it mails the notice provided for in subsection 1 to the driver, unless within that time it has received a written request for a hearing from the driver or notice from the Nevada Transportation Authority that the driver has paid the administrative fine and any other costs or complied with a plan of repayment approved pursuant to section 4.7 of this act. A license so suspended remains suspended until:

   (a) The Authority notifies the Department that the license is eligible for reinstatement; and

   (b) The Department receives payment of the fee for reinstatement required by NRS 483.410.

Sec. 10.3. NRS 483.010 is hereby amended to read as follows:
The provisions of NRS 483.010 to 483.630, inclusive, and section 10.1 of this act may be cited as the Uniform Motor Vehicle Drivers' License Act.

Sec. 10.5. NRS 483.015 is hereby amended to read as follows:

483.015 Except as otherwise provided in NRS 483.330, the provisions of NRS 483.010 to 483.630, inclusive, and section 10.1 of this act apply only with respect to noncommercial drivers' licenses.

Sec. 10.7. NRS 483.020 is hereby amended to read as follows:

483.020 As used in NRS 483.010 to 483.630, inclusive, and section 10.1 of this act, unless the context otherwise requires, the words and terms defined in NRS 483.030 to 483.190, inclusive, have the meanings ascribed to them in those sections.

Sec. 10.9. NRS 483.420 is hereby amended to read as follows:

483.420 1. The Department is hereby authorized to cancel any driver's license upon determining that the licensee was not entitled to the issuance thereof pursuant to NRS 483.010 to 483.630, inclusive, and section 10.1 of this act or that the licensee failed to give the required or correct information in his or her application or committed any fraud in making an application.

2. Upon cancellation of a driver's license pursuant to subsection 1, the licensee shall surrender the license cancelled to the Department.

3. The Department is authorized to cancel any license that is voluntarily surrendered to the Department.

Sec. 11. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of adopting regulations or performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2011, for all other purposes.

2. Sections 3 and 4 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

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

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

Senator Horsford moved the adoption of the amendment.

Remarks by Senator Horsford.

Senator Horsford requested that his remarks be entered in the Journal.

Senate Bill No. 320, as amended, revises Chapter 706 of Nevada Revised Statutes to add the definition of a "short term lessor," to mean a person who has leased a vehicle to another person for a period of 31 days or fewer, or by the day, or by the trip. Short term lessors are designated as "common motor carriers of passengers." The bill also modifies Chapter 706 to require a short term lessor that offers, arranges for, or allows the use of a paid driver, whether directly or
through an affiliated person, to obtain a certificate of public convenience and necessity from the Nevada Transportation Authority.

The bill also adds new sections to the statute which require the Nevada Transportation Authority to report to the Department of Motor Vehicles the names of persons who fail to pay administrative fines imposed by the Nevada Transportation Authority.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that the action whereby Senate Amendment No. 850 to Senate Bill No. 320 was adopted be rescinded and placed on bottom of Second Reading File.

Motion carried.

SECOND READING AND AMENDMENT

Senator Bill No. 374.

Bill read second time.

The following amendment was proposed by the Committee on Finance:
Amendment No. 853.

"SUMMARY—[Temporarily redirects a portion of the taxes ad valorem levied in Clark County to support the College of Southern Nevada. Creates the Committee to Study the Funding of Higher Education. (BDR S-992)]""AN ACT relating to
local government; temporarily redirecting a portion of the taxes ad valorem levied in Clark County to support the College of Southern Nevada; higher education; creating the Committee to Study the Funding of Higher Education; prescribing the powers and duties of the Committee; making appropriations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill requires the deposit into the State General Fund of the portion of the property taxes levied for the next 4 fiscal years for operating purposes by Clark County at the rate of 2 cents per $100 of assessed valuation. This bill requires the use of those tax proceeds for the support of the College of Southern Nevada creates the Committee to Study the Funding of Higher Education, establishes the composition of the Committee and prescribes the powers and duties of the Committee. This bill further makes appropriations for the purposes of: (1) conducting a study of the funding of higher education; and (2) paying for the cost of the participation of the members of the Committee who are Legislators.

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

Delete existing sections 1 through 2 of this bill and replace with the following new sections 1 through 10:

Section 1. 1. The Committee to Study the Funding of Higher Education, consisting of 12 voting members and 4 nonvoting members, is hereby created.
2. The following persons shall serve as voting members of the Committee:
   (a) Three members of the Senate, two of whom are appointed by the Majority Leader of the Senate and one of whom is appointed by the Minority Leader of the Senate;
   (b) Three members of the Assembly, two of whom are appointed by the Speaker of the Assembly and one of whom is appointed by the Minority Leader of the Assembly;
   (c) Three members of the Board of Regents of the University of Nevada, appointed by the Chair of that Board; and
   (d) Three members appointed by the Governor.

3. The Governor shall appoint the following persons to serve as the nonvoting members of the Committee:
   (a) One person who is employed in the Budget Division of the Department of Administration; and
   (b) Three persons who are employed by the Nevada System of Higher Education.

4. The Chair of the Legislative Commission shall designate one of the members of the Committee as Chair of the Committee.

5. The Director of the Legislative Counsel Bureau shall provide the necessary professional staff and a secretary for the Committee.

6. For each day or portion of a day during which they attend a meeting of the Committee or are otherwise engaged in the business of the Committee:
   (a) The voting members of the Committee who are Legislators are entitled to receive the compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session, plus the per diem allowance provided for state officers and employees generally and the travel expenses provided pursuant to NRS 218A.655.
   (b) The voting members of the Committee who are members of the Board of Regents of the University of Nevada are entitled to receive travel expenses and a per diem allowance at the rates established in NRS 396.070.
   (c) The voting members of the Committee appointed by the Governor are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 2. The Committee shall:
1. Compare the existing method of funding higher education in Nevada with the methods used in other states;
2. Determine whether the other methods would be appropriate and useful in Nevada, whereby different missions of universities, state college, colleges and research institutes are appropriately considered in the funding of public higher education in Nevada;
3. Review the funding of remediation in the context of instructional delivery methods;
4. Consider the retention of resident registration fees and nonresident tuition outside of the state supported operating budget;
5. Consider funding in the context of completed courses in contrast to the current method of funding enrollments; and
6. Consider rewarding institutions within higher education for achieving defined goals for graduating students.

Sec. 3. The Committee may hold public hearings at such times and places as it deems necessary to afford the general public and representatives of governmental agencies and of organizations interested in higher education an opportunity to present relevant information and recommendations.

Sec. 4. The Committee may employ such educational and financial consultants as it deems necessary for this study.

Sec. 5. The Committee may accept and use all gifts and grants which it receives to further its work.

Sec. 6. There is hereby appropriated from the State General Fund to the Legislative Fund the sum of $150,000 for the purpose of conducting a study of the funding of higher education as provided in sections 1 to 5, inclusive, of this act.

Sec. 7. There is hereby appropriated from the State General Fund to the Legislative Fund the sum of $18,064 for the purpose of the paying for the cost of the participation of the members of the Committee who are Legislators as provided in sections 1 to 5, inclusive, of this act.

Sec. 8. Any remaining balance of the appropriation made by section 6 or 7 of this act must not be committed for expenditure after June 30, 2013, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2013, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2013.

Sec. 9. The Committee shall submit to the Legislative Commission a report of its findings and recommendations for legislation before the commencement of the 77th Session of the Nevada Legislature.

Sec. 10. This act becomes effective on July 1, 2011.

Senator Lee moved the adoption of the amendment.

Senator Lee requested that his remarks be entered in the Journal.

Amendment No. 853 to Senate Bill No. 374 creates the Committee to Study the Funding of Higher Education, and directs the committee to conduct a study of the funding of the Nevada System of Higher Education. The Committee's findings and recommendations are to be submitted in a report to the Legislative Commission before the commencement of the 77th Session of the Nevada Legislature.
Section 1 of Senate Bill No. 374 establishes the Committee's membership, consisting of 12 voting members and 4 non-voting members. Additionally, Senate Bill No. 374 requires that the Governor appoint non-voting members of the Committee.

Section 2 of Senate Bill No. 374 establishes six areas to be studied and directs the Committee to: compare the existing method of funding higher education in Nevada with the methods used in other states; determine whether the other methods would be appropriate and useful in Nevada whereby different missions of universities, state colleges, colleges and research institutions are appropriately considered in the funding of public higher education in Nevada; review the funding recommendation in the context of instructional delivery methods; consider the retention of resident registration fees and non-resident tuition outside of the State-supported operating budget; consider funding in the context of completed courses in contrast to the current method of funding enrollments; and consider rewarding institutions within higher education for achieving defined goals for graduating students.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 224.
Bill read second time and ordered to third reading.

Assembly Bill No. 255.
Bill read second time and ordered to third reading.

Assembly Bill No. 474.
Bill read second time.

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

Amendment No. 874.
"SUMMARY—Creates the Sunset Subcommittee of the Legislative Commission to review certain boards and commissions. (BDR 18-889)"

"AN ACT relating to governmental administration; creating the Sunset Subcommittee of the Legislative Commission; providing for its membership; requiring the Sunset Subcommittee to review certain boards and commissions in this State to determine the need for the termination, consolidation, modification or continuation of those boards and commissions; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law establishes the Legislative Commission and provides for its powers and duties, which consist of, in part, investigating and inquiring into subjects upon which the Legislature may act by the enactment or amendment of statutes, governmental problems, important issues of public policy or questions of statewide interest. (NRS 218E.150, 218E.175) Existing law also provides for certain standing subcommittees of the Legislative Commission to carry out ongoing duties, such as the Audit Subcommittee and the Budget Subcommittee. (NRS 218E.240, 218E.255) Finally, existing law requires the Legislative Commission to conduct reviews of existing agencies to determine whether each agency should be terminated, consolidated with another agency or continued. (NRS 232B.010-232B.100)
Section 2 of this bill creates the Sunset Subcommittee of the Legislative Commission and sets forth its membership. Section 3 of this bill specifies the Sunset Subcommittee's primary duties, which are: (1) to conduct reviews of all boards and commissions in this State which are not provided for in the Constitution of this State or established by an executive order of the Governor and determine whether each board or commission should be terminated, modified, consolidated with another agency or continued; (2) to make recommendations for improving the boards or commissions which are to be modified, consolidated or continued; and (3) to determine whether any tax exemptions, abatements or money set aside for a board or commission should be terminated, modified or continued. Section 3 also requires the Sunset Subcommittee to conduct reviews for the cost of conducting the review.

Section 4 of this bill requires each board and commission to submit certain information about itself and how it operates to the Sunset Subcommittee and authorizes the Sunset Subcommittee to direct the Legislative Counsel Bureau to assist the Sunset Subcommittee in investigating, reviewing and analyzing the information submitted. Section 5 of this bill requires the Sunset Subcommittee to hold public hearings to receive commentary on whether a board or commission should be terminated, modified, consolidated or continued. Section 6 of this bill requires the Sunset Subcommittee to make recommendations for direct legislative action to carry out its recommendations regarding the termination, modification, consolidation or continuation of a board or commission.

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

Section 1. Chapter 232B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. 1. The Sunset Subcommittee of the Legislative Commission, consisting of nine members, is hereby created. The membership of the Sunset Subcommittee consists of:

(a) Two members of the Legislature appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;

(b) Two members of the Legislature appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and

(c) One member of the Legislature appointed by the Minority Leader of the Senate;

(d) One member of the Legislature appointed by the Minority Leader of the Assembly; and

(e) Three members of the general public appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Governor pursuant to subsection 2.
2. The Governor shall, at least 30 days before the beginning of the term of any member appointed pursuant to paragraph (e) of subsection 1, or within 30 days after such a position on the Sunset Subcommittee becomes vacant, submit to the Legislative Commission the names of at least three persons qualified for membership on the Sunset Subcommittee. The Chair of the Legislative Commission shall appoint a new member or fill the vacancy from the list, or request a new list. The Chair of the Legislative Commission may appoint any qualified person who is a resident of this State to the position described in paragraph (e) of subsection 1.

3. Each member of the Sunset Subcommittee serves at the pleasure of the appointing authority.

4. The members of the Sunset Subcommittee shall elect a Chair from one House of the Legislature and a Vice Chair from the other House. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the Office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.

5. The membership of any member of the Sunset Subcommittee who is a Legislator and who is not a candidate for reelection or who is defeated for reelection terminates on the day next after the general election.

6. A vacancy on the Sunset Subcommittee must be filled in the same manner as the original appointment.

7. The Sunset Subcommittee shall meet at the times and places specified by a call of the Chair. Five members of the Sunset Subcommittee constitute a quorum, and a quorum may exercise any power or authority conferred on the Sunset Subcommittee.

8. For each day or portion of a day during which a member of the Sunset Subcommittee who is a Legislator attends a meeting of the Sunset Subcommittee or is otherwise engaged in the business of the Sunset Subcommittee, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:

   (a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session;
   (b) Per diem allowance provided for state officers generally; and
   (c) Travel expenses provided pursuant to NRS 218A.655.

   The compensation, per diem allowances and travel expenses of the members of the Sunset Subcommittee who are Legislators must be paid from the Legislative Fund.

9. While engaged in the business of the Sunset Subcommittee the members of the Subcommittee who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 3. 1. The Sunset Subcommittee of the Legislative Commission shall conduct a review of each board and commission in this State which is not provided for in the Constitution of this State or established by an
executive order of the Governor to determine whether the board or commission should be terminated, modified, consolidated with another board or commission or continued. Such a review must include, without limitation:

(a) An evaluation of the major policies and programs of the board or commission, including, without limitation, an examination of other programs or services offered in this State to determine if any other provided programs or services duplicate those offered by the board or commission;

(b) Any recommendation for improvements in the policies and programs offered by the board or commission; and

(c) A determination of whether any statutory tax exemptions, abatements or money set aside to be provided to the board or commission should be terminated, modified or continued.

2. The Sunset Subcommittee shall review:

(a) Not less than 20 boards and commissions specified in subsection 1 each year; and

(b) Each of those boards and commissions not less than once every 10 years.

3. For each review of a board or commission that the Sunset Subcommittee conducts, the Sunset Subcommittee shall submit a written assessment to the board or commission setting forth the costs of the review. In determining the amount of an assessment pursuant to this subsection, the Sunset Subcommittee shall consider, based upon the information provided by the board or commission pursuant to section 4 of this act, whether any additional analysis or evaluation is required to review the board or commission because of the specialized nature of the board or commission. As soon as practicable after a board or commission receives a written assessment pursuant to this subsection, the board or commission shall pay the amount set forth in the written assessment to the Sunset Subcommittee.

4. Any action taken by the Sunset Subcommittee concerning a board or commission pursuant to sections 2 to 7, inclusive, of this act is in addition or supplemental to any action taken by the Legislative Commission pursuant to NRS 232B.010 to 232B.100, inclusive.

Sec. 4. 1. Each board and commission subject to review by the Sunset Subcommittee of the Legislative Commission shall submit information to the Sunset Subcommittee on a form prescribed by the Sunset Subcommittee. The information must include, without limitation:

(a) The name of the board or commission;

(b) The name of each member of the board or commission;

(c) The address of the Internet website established and maintained by the board or commission, if any;

(d) The name and contact information of the executive director of the board or commission, if any;
The Sunset Subcommittee of the Legislative Commission shall conduct public hearings for the purpose of obtaining comments on, and may require the Legislative Counsel Bureau to submit reports on, the need for the termination, modification, consolidation or continued operation of a board or commission.

2. The Sunset Subcommittee shall consider any report submitted to it by the Legislative Counsel Bureau.

3. A board or commission has the burden of proving that there is a public need for its continued existence.

Sec. 6. 1. If the Sunset Subcommittee of the Legislative Commission determines to recommend the termination of a board or commission, its recommendation must include suggestions for appropriate direct legislative action, if any, which is made necessary or desirable by the termination of the board or commission.

2. If the Sunset Subcommittee determines to recommend the consolidation, modification or continuation of a board or commission, its recommendation must include suggestions for appropriate direct legislative
action, if any, which would make the operation of the board or commission or its successor more efficient or effective.

3. On or before June 30, 2012, the Sunset Subcommittee shall make all its initial recommendations pursuant to this section, if any. The Sunset Subcommittee shall make all subsequent recommendations pursuant to this section, if any, on or before June 30 of each even-numbered year occurring thereafter.

Sec. 7. (Deleted by amendment.)

Sec. 8. NRS 232B.010 is hereby amended to read as follows:

232B.010 As used in this chapter, NRS 232B.010 to 232B.100, inclusive, unless the context otherwise requires, "agency" means any public agency which the Legislature has designated to be the subject of a review by the Legislative Commission.

Sec. 9. NRS 232B.080 is hereby amended to read as follows:

232B.080 1. The Legislative Commission shall conduct public hearings for the purpose of obtaining comments on, and may require the Legislative Counsel Bureau to submit reports on, the need for the continued operation of an agency, and its efficiency and effectiveness.

2. At any hearing held pursuant to NRS 232B.010 to 232B.100, inclusive, information may be presented by:
   (a) Members of the general public;
   (b) Any person who is regulated by the agency; and
   (c) Representatives of the agency.

3. The Legislative Commission shall consider any report submitted to it by the Legislative Counsel Bureau.

4. An agency has the burden of proving that there is a public need for its continued existence or regulatory function.

Sec. 10. 1. On or before August 1, 2011, the Governor shall submit to the Legislative Commission the names of at least three nominees who are qualified for membership on the Sunset Subcommittee of the Legislative Commission pursuant to subsection 2 of section 2 of this act.

2. On or before September 1, 2011:
   (a) The Majority Leader of the Senate shall appoint two members of the Sunset Subcommittee pursuant to paragraph (a) of subsection 1 of section 2 of this act.
   (b) The Speaker of the Assembly shall appoint two members of the Sunset Subcommittee pursuant to paragraph (b) of subsection 1 of section 2 of this act.
   (c) The Minority Leader of the Senate shall appoint one member of the Sunset Subcommittee pursuant to paragraph (c) of subsection 1 of section 2 of this act.
   (d) The Minority Leader of the Assembly shall appoint one member of the Sunset Subcommittee pursuant to paragraph (d) of subsection 1 of section 2 of this act.
The Chair of the Legislative Commission shall appoint three members of the general public from among the names of the nominees submitted by the Governor pursuant to subsection 1.

Sec. 11. This act becomes effective on July 1, 2011.

Senator Parks moved the adoption of the amendment.
Remarks by Senator Parks.
Senator Parks requested that his remarks be entered in the Journal.

Assembly Bill No. 474 proposes to create the Sunset Subcommittee of the Legislative Commission.
Amendment No. 874 provides that the Senate Minority Leader and the Assembly Minority Leader shall each appoint one member of their respective houses to the Subcommittee.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Assembly Bill No. 529.
Bill read second time and ordered to third reading.

Senate Bill No. 320.
Bill read second time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 884.
"SUMMARY—Revises provisions governing certain motor carriers.
(BDR 58-1051)"

"AN ACT relating to motor carriers; [revising provisions relating to the period of operation of certain taxicabs; prohibiting a short-term lessor from offering, arranging for or allowing the use of a paid driver; requiring the suspension of the drivers' licenses of certain persons who fail to pay administrative fines to the Nevada Transportation Authority; providing penalties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law provides for the regulation of certain motor carriers in this State by the Nevada Transportation Authority. (NRS 706.011-706.791) [This bill requires a person who wishes to be employed or enter into a contract or lease as a driver for certain motor carriers subject to the jurisdiction of the Authority to obtain a driver's permit issued by the Authority, providing a fee; revising provisions relating to the period of operation of certain taxicabs; prohibiting a short-term lessor from offering, arranging for or allowing the use of a paid driver; requiring the suspension of the drivers' licenses of certain persons who fail to pay administrative fines to the Nevada Transportation Authority; providing penalties; and providing other matters properly relating thereto."

Sections 4.7 and 10.3 of this bill require the suspension of the driver's license of a person who fails to pay certain administrative fines and related costs to the Authority. Section 10.3 requires a person whose driver's license is suspended for the nonpayment of an administrative fine to the Authority to pay that administrative fine and to pay the fee..."
for reinstatement of his or her driver’s license before the driver’s license
may be reinstated by the Department of Motor Vehicles.

Existing law provides that a short-term lessor is not liable for a fine or
penalty related to the impoundment of certain vehicles if the vehicle was
not in the control of the short-term lessor at the time that it was
impounded. (NRS 706.478) Section 8.7 of this bill deletes the
requirement that a true copy of the lease or rental agreement pursuant
to which a vehicle was leased or rented to a lessee by the short-term
lessor is prima facie evidence that the short-term lessor was not in
control of the impounded vehicle.

Section 10.1 of this bill prohibits a short-term lessor from offering,
arranging for or allowing the use of a paid driver whether directly or
through an affiliated person.

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

Section 1. Chapter 706 of NRS is hereby amended by adding thereto the
provisions set forth as sections 2, 3 and 4 to 4.7, inclusive, of this act.

Sec. 2. [1] A person shall not drive a motor vehicle for a fully
regulated carrier of passengers or a taxicab motor carrier as an employee,
independent contractor or lessee unless the person has a driver’s permit
issued by the Authority pursuant to this section.

[2] The Authority shall issue a driver’s permit to each applicant who
satisfies the requirements of this section. Before issuing a driver’s permit, the
Authority shall:

(a) Require the applicant to submit a complete set of his or her
fingerprints, which the Authority may forward to the Central Repository for
Nevada Records of Criminal History for submission to the Federal Bureau of
Investigation to ascertain whether the applicant has a criminal record and
the nature of any such record, and shall further investigate the applicant’s
background; and

(b) Require proof that the applicant is employed or under a contract or
lease agreement or has an offer of employment, a contract or a lease
agreement that is contingent on the applicant’s obtaining a driver’s permit
pursuant to this section and:

(1) Has a valid license issued pursuant to NRS 483.340 which
authorizes the applicant to drive in this State any motor vehicle that is within
the scope of the employment, contract or lease; or

(2) If the driver is a resident of a state other than Nevada, has a valid
license issued by the state in which he or she resides which authorize the
applicant to drive any motor vehicle that is within the scope of the
employment, contract or lease.

[3] The Authority may refuse to issue a driver’s permit if the applicant has
been convicted of:
(a) A felony, other than a sexual offense, in this State or any other jurisdiction within the 5 years immediately preceding the date of the application;
(b) A felony involving any sexual offense in this State or any other jurisdiction at any time before the date of the application;
(c) A violation of NRS 484C.110 or 484C.430 or a law of any other jurisdiction that prohibits the same or similar conduct within the 2 years immediately preceding the date of the application.

4. A driver's permit issued pursuant to this section is valid:
   (a) If it is an original permit, for not longer than 1 year;
   (b) If it is a renewal permit, for not longer than 2 years.

   but lapses if the driver ceases to be employed by the carrier identified in the application for the original or renewal permit or if the contract or lease expires and the driver enters into a contract or lease with a different carrier.

A driver must notify the Authority within 10 days after the lapse of a permit and obtain a new permit pursuant to this section before driving for a different carrier.

5. An applicant shall pay to the Authority:
   (a) For an original driver's permit, a fee not to exceed $50;
   (b) For the renewal of a driver's permit, a fee not to exceed $50.

6. The provisions of this section:
   (a) Apply to a person who is the lessee of a taxicab pursuant to a lease agreement as set forth in NRS 706.472.
   (b) Do not apply to a driver who is employed by or under contract with:
      (1) The owner or operator of a charter bus which is not a fully regulated carrier;
      (2) A person or organization that provides a transportation service for persons with disabilities if the driver is certified as an emergency medical technician, intermediate emergency medical technician or advanced emergency medical technician pursuant to chapter 450B of NRS;
      (3) The owner or operator of any motor vehicle that is not subject to regulation by the Authority pursuant to NRS 706.011 to 706.791, inclusive, and sections 2, 3 and 4 of this act.

Sec. 3. In addition to any other requirements set forth in this chapter, an applicant for the issuance or renewal of a driver's permit pursuant to section 2 of this act shall:
   (a) Include the social security number of the applicant in the application submitted to the Authority.
   (b) Submit to the Authority the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement shall be completed and signed by the applicant.

2. The Authority shall include the statement required pursuant to subsection 1 in
(a) The application or any other forms that must be submitted for the issuance or renewal of the driver's permit; or
(b) A separate form prescribed by the Authority.
(b) A separate form prescribed by the Authority.

3. A driver's permit may not be issued or renewed by the Authority if the applicant:
   (a) Fails to submit the statement required pursuant to subsection 1; or
   (b) Indicates on the statement submitted pursuant to subsection 1 that the applicant is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

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

Sec. 4. If the Authority receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a driver's permit, the Authority shall deem the permit issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Authority receives a letter issued to the holder of the driver's permit by the district attorney or other public agency pursuant to NRS 425.550 stating that the holder of the driver's permit has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

2. The Authority shall reinstate a driver's permit that has been suspended by a district court pursuant to NRS 425.540 if the Authority receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose driver's permit was suspended stating that the person whose driver's permit was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560. [Deleted by amendment.]

Sec. 4.3. In any county for which regulation by the Taxicab Authority is not required pursuant to NRS 706.881:
1. Except as otherwise provided in subsection 4, if a vehicle acquired for use as a taxicab by a certificate holder pursuant to paragraph (a) of subsection 3 has been in operation as a taxicab for 72 months based on the date on which it was originally placed into operation as a taxicab, the certificate holder shall remove the vehicle from operation as a taxicab.
2. Except as otherwise provided in subsection 4, if a vehicle acquired for use as a taxicab by a certificate holder pursuant to paragraph (b) of
subsection 3 has been in operation as a taxicab for 55 months based on the
date on which it was originally placed into operation as a taxicab, the
certificate holder shall remove the vehicle from operation as a taxicab.

3. Any vehicle which a certificate holder acquires for use as a taxicab
must:
   (a) Be new; or
   (b) Register not more than 30,000 miles on the odometer.

4. If a hybrid electric vehicle, as defined in 40 C.F.R. § 86.1702-99, is
acquired for use as a taxicab by a certificate holder, the period of operation
as a taxicab specified in subsections 1 and 2 shall be extended for an
additional 24 months for that vehicle.

Sec. 4.7. 1. If the Authority imposes an administrative fine pursuant
to NRS 706.476 or 706.771 in an amount greater than $100, the person
who is responsible for payment of the administrative fine shall:
   (a) Pay to the Authority the full amount of the administrative fine and
any other costs related to the administrative fine owed by that person; or
   (b) If the person is unable to pay the full amount owed, enter into a plan
of repayment with the Authority for the payment over time of the
administrative fine.

2. The Authority shall, within 20 days after imposing an administrative
fine pursuant to NRS 706.476 or 706.771, provide notice by first-class mail
to the person against whom the administrative fine is imposed. The notice
must include a statement:
   (a) Of the amount of the administrative fine and any other costs which
must be paid to the Authority;
   (b) That the person must, within 14 days after receiving the notice:
      (1) Pay to the Authority the full amount of the administrative fine and
any other costs; or
      (2) If a plan of repayment has been approved by the Authority, comply
with the terms of the plan of repayment; and
   (c) That the Authority is required to notify the Department of Motor
Vehicles of the failure to pay the amount owed and that the Department
may suspend the driver’s license of the person for failure to pay the
administrative fine and any other costs.

3. The Authority shall provide to the Department of Motor Vehicles the
name of a person to whom a notice is sent pursuant to subsection 2 and the
date on which the notice was sent.

4. The Authority shall, within 5 days after receiving payment from a
person or approving a plan of repayment, notify the Department of Motor
Vehicles that the person has satisfied the requirements for payment of the
administrative fine and any other costs owed by the person.

5. The provisions of this section do not relieve the Authority of any
obligation to notify the State Controller of any debt that is past due
pursuant to chapter 353C of NRS.

Sec. 5. NRS 706.011 is hereby amended to read as follows:
As used in NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act, unless the context otherwise requires, the words and terms defined in NRS 706.013 to 706.146, inclusive, have the meanings ascribed to them in those sections.

Sec. 6. NRS 706.158 is hereby amended to read as follows:

706.158 The provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act relating to brokers do not apply to any person whom the Authority determines is:
1. A motor club which holds a valid certificate of authority issued by the Commissioner of Insurance;
2. A bona fide charitable organization, such as a nonprofit corporation or a society, organization or association for educational, religious, scientific or charitable purposes; or
3. A broker of transportation services provided by an entity that is exempt pursuant to NRS 706.745 from the provisions of NRS 706.386 or 706.421.

Sec. 7. NRS 706.163 is hereby amended to read as follows:

706.163 The provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act do not apply to vehicles leased to or owned by:
1. The Federal Government or any instrumentality thereof.
2. Any state or a political subdivision thereof.

Sec. 8. NRS 706.2885 is hereby amended to read as follows:

706.2885 1. A certificate of public convenience and necessity, permit or license issued in accordance with this chapter is not a franchise and may be revoked.
2. The Authority may at any time, for good cause shown, after investigation and hearing and upon 5 days' written notice to the grantee, suspend any certificate, permit or license issued in accordance with the provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act for a period not to exceed 60 days.
3. Upon receipt of a written complaint or on its own motion, the Authority may, after investigation and hearing, revoke any certificate, permit or license issued in accordance with the provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act if the registered owner of a vehicle which is impounded pursuant to NRS 706.476 is a short-term lessor licensed pursuant to NRS 482.363 who is engaged solely in the business of renting or leasing vehicles in accordance with
NRS 482.295 to 482.3159, inclusive, and section 10.1 of this act, the registered owner is not liable for any administrative fine or other penalty that may be imposed by the Authority for the operation of a passenger vehicle in violation of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act if at the time that the vehicle was impounded, the vehicle was in the care, custody or control of a lessee.

2. A short-term lessor may establish that a vehicle was subject to the care, custody or control of a lessee at the time that the vehicle was impounded pursuant to NRS 706.476 by submitting to the Authority a true copy of the lease or rental agreement pursuant to which the vehicle was leased or rented to the lessee by the short-term lessor. The submission of a true copy of a lease or rental agreement is prima facie evidence that the vehicle was in the care, custody or control of the lessee.

3. Upon the receipt of a true copy of a written lease or rental agreement pursuant to subsection 2 which evidences that the vehicle impounded by the Authority pursuant to NRS 706.476 was under the care, custody or control of a lessee and not the registered owner of the vehicle, the Authority shall release the vehicle to the short-term lessor.

As used in this section, "short-term lessor" has the meaning ascribed to it in NRS 482.053.

Sec. 9. NRS 706.736 is hereby amended to read as follows:

706.736. Except as otherwise provided in subsection 2, the provisions of NRS 706.011 to 706.791, inclusive, and sections 2 to 4.7, inclusive, of this act do not apply to:

(a) The transportation by a contractor licensed by the State Contractors' Board of the contractor's own equipment in the contractor's own vehicles from job to job.

(b) Any person engaged in transporting the person's own personal effects in the person's own vehicle, but the provisions of this subsection do not apply to any person engaged in transportation by vehicle of property sold or to be sold, or used by the person in the furtherance of any commercial enterprise other than as provided in paragraph (d), or to the carriage of any property for compensation.

(c) Special mobile equipment.

(d) The vehicle of any person, when that vehicle is being used in the production of motion pictures, including films to be shown in theaters and on television, industrial training and educational films, commercials for television and video discs and tapes.

(e) A private motor carrier of property which is used for any convention, show, exhibition, sporting event, carnival, circus or organized recreational activity.

(f) A private motor carrier of property which is used to attend livestock shows and sales.

(g) The transportation by a private school of persons or property in connection with the operation of the school or related school activities, so
long as the vehicle that is used to transport the persons or property does not have a gross vehicle weight rating of 26,001 pounds or more and is not registered pursuant to NRS 706.801 to 706.861, inclusive.

2. Unless exempted by a specific state statute or a specific federal statute, regulation or rule, any person referred to in subsection 1 is subject to:
   (a) The provisions of paragraph (d) of subsection 1 of NRS 706.171 and NRS 706.235 to 706.256, inclusive, 706.281, 706.457 and 706.458.
   (b) All rules and regulations adopted by reference pursuant to paragraph (b) of subsection 1 of NRS 706.171 concerning the safety of drivers and vehicles.
   (c) All standards adopted by regulation pursuant to NRS 706.173.

3. The provisions of NRS 706.311 to 706.453, inclusive, 706.471, 706.473, 706.475 and 706.6411 which authorize the Authority to issue:
   (a) Except as otherwise provided in paragraph (b), certificates of public convenience and necessity and contract carriers' permits and to regulate rates, routes and services apply only to fully regulated carriers.
   (b) Certificates of public convenience and necessity to operators of tow cars and to regulate rates for towing services performed without the prior consent of the owner of the vehicle or the person authorized by the owner to operate the vehicle apply to operators of tow cars.

4. Any person who operates pursuant to a claim of an exemption provided by this section but who is found to be operating in a manner not covered by any of those exemptions immediately becomes liable, in addition to any other penalties provided in this chapter, for the fee appropriate to the person's actual operation as prescribed in this chapter, computed from the date when that operation began.

5. As used in this section, "private school" means a nonprofit private elementary or secondary educational institution that is licensed in this State.

Sec. 10. NRS 706.756 is hereby amended to read as follows:

706.756 1. Except as otherwise provided in subsection 2, any person who:
   (a) Operates a vehicle or causes it to be operated in any carriage to which the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4, inclusive, of this act apply without first obtaining a certificate, permit or license, or in violation of the terms thereof;
   (b) Fails to make any return or report required by the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4, inclusive, of this act or by the Authority or the Department pursuant to the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4, inclusive, of this act;
   (c) Violates, or procures, aids or abets the violating of, any provision of NRS 706.011 to 706.861, inclusive, and sections 2 to 4, inclusive, of this act;
   (d) Fails to obey any order, decision or regulation of the Authority or the Department;
(e) Procur[es, aids or abets any person in the failure to obey such an order, decision or regulation of the Authority or the Department;

(f) Advertises, solicits, proffers bids or otherwise is held out to perform transportation as a common or contract carrier in violation of any of the provisions of NRS 706.011 to 706.861, inclusive, and sections 2 to 4.7, inclusive, of this act;

(g) Advertises as providing:
   (1) The services of a fully regulated carrier; or
   (2) Towing services, without including the number of the person's certificate of public convenience and necessity or contract carrier's permit in each advertisement;

(h) Knowingly offers, gives, solicits or accepts any rebate, concession or discrimination in violation of the provisions of this chapter;

(i) Knowingly, willfully and fraudulently seeks to evade or defeat the purposes of this chapter;

(j) Operates or causes to be operated a vehicle which does not have the proper identifying device;

(k) Displays or causes or permits to be displayed a certificate, permit, license or identifying device, knowing it to be fictitious or to have been cancelled, revoked, suspended or altered;

(l) Lends or knowingly permits the use of by one not entitled thereto any certificate, permit, license or identifying device issued to the person so lending or permitting the use thereof; or

(m) Refuses or fails to surrender to the Authority or Department any certificate, permit, license or identifying device which has been suspended, cancelled or revoked pursuant to the provisions of this chapter, is guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $100 nor more than $1,000, or by imprisonment in the county jail for not more than 6 months, or by both fine and imprisonment.

2. Any person who, in violation of the provisions of NRS 706.386, operates as a fully regulated common motor carrier without first obtaining a certificate of public convenience and necessity or any person who, in violation of the provisions of NRS 706.421, operates as a contract motor carrier without first obtaining a permit is guilty of a misdemeanor and shall be punished:

(a) For a first offense within a period of 12 consecutive months, by a fine of not less than $500 nor more than $1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.

(b) For a second offense within a period of 12 consecutive months and for each subsequent offense that is committed within a period of 12 consecutive months of any prior offense under this subsection, by a fine of $1,000. In addition to the fine, the person may be punished by imprisonment in the county jail for not more than 6 months.
3. Any person who, in violation of the provisions of NRS 706.386, operates or permits the operation of a vehicle in passenger service without first obtaining a certificate of public convenience and necessity is guilty of a gross misdemeanor.

4. If a law enforcement officer witnesses a violation of any provision of subsection 2 or 3, the law enforcement officer may cause the vehicle to be towed immediately from the scene and impounded in accordance with NRS 706.476.

5. The fines provided in this section are mandatory and must not be reduced under any circumstances by the court.

6. Any bail allowed must not be less than the appropriate fine provided for by this section.

Sec. 10.1. Chapter 482 of NRS is hereby amended by adding thereto a new section to read as follows:

It is unlawful for a short-term lessor to offer, arrange for or allow the use of a paid driver whether directly or through an affiliated person.

Sec. 10.3. Chapter 483 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Upon receipt of notice from the Nevada Transportation Authority pursuant to section 4.7 of this act regarding a driver's delinquency with respect to the payment of an administrative fine and any other costs owed to the Authority pursuant to NRS 706.476 or 706.771, the Department shall notify the driver by mail that his or her driver's license is subject to suspension and allow the driver 30 days after the date of mailing the notice to:

   (a) Pay to the Authority the delinquent administrative fine and any other costs or comply with a plan of repayment approved pursuant to section 4.7 of this act; or

   (b) Make a written request to the Department for a hearing.

2. If notified by the Nevada Transportation Authority, within 30 days after the notice of a delinquency in the payment of an administrative fine, that a driver has entered into a plan for repayment approved pursuant to section 4.7 of this act, the Department shall stop the suspension of the driver's license from going into effect. If the driver subsequently defaults on the plan of repayment with the Authority, the Authority shall notify the Department, which shall immediately suspend the driver's license until the Authority notifies the Department that the license is eligible for reinstatement.

3. The Department shall suspend the driver's license of a driver 31 days after it mails the notice provided for in subsection 1 to the driver, unless within that time it has received a written request for a hearing from the driver or notice from the Nevada Transportation Authority that the driver has paid the administrative fine and any other costs or complied with a plan of repayment approved pursuant to section 4.7 of this act. A license so suspended remains suspended until:
(a) The Authority notifies the Department that the license is eligible for reinstatement; and
(b) The Department receives payment of the fee for reinstatement required by NRS 483.410.

Sec. 10.5. **NRS 483.010 is hereby amended to read as follows:**

483.010 The provisions of NRS 483.010 to 483.630, inclusive, and section 10.3 of this act may be cited as the Uniform Motor Vehicle Drivers' License Act.

Sec. 10.6. **NRS 483.015 is hereby amended to read as follows:**

483.015 Except as otherwise provided in NRS 483.330, the provisions of NRS 483.010 to 483.630, inclusive, and section 10.3 of this act apply only with respect to noncommercial drivers' licenses.

Sec. 10.7. **NRS 483.020 is hereby amended to read as follows:**

483.020 As used in NRS 483.010 to 483.630, inclusive, and section 10.3 of this act, unless the context otherwise requires, the words and terms defined in NRS 483.030 to 483.190, inclusive, have the meanings ascribed to them in those sections.

Sec. 10.9. **NRS 483.420 is hereby amended to read as follows:**

483.420 1. The Department is hereby authorized to cancel any driver's license upon determining that the licensee was not entitled to the issuance thereof pursuant to NRS 483.010 to 483.630, inclusive, and section 10.3 of this act or that the licensee failed to give the required or correct information in his or her application or committed any fraud in making an application.

2. Upon cancellation of a driver's license pursuant to subsection 1, the licensee shall surrender the license cancelled to the Department.

3. The Department is authorized to cancel any license that is voluntarily surrendered to the Department.

Sec. 11. 1. This act becomes effective:

(a) Upon passage and approval for the purposes of adopting regulations or performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and

(b) On October 1, 2011, for all other purposes.

2. Sections 3 and 4 of this act expire by limitation on the date on which the provisions of 42 U.S.C. § 666 requiring each state to establish procedures under which the state has authority to withhold or suspend, or to restrict the use of professional, occupational and recreational licenses of persons who:

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

(b) Are in arrears in the payment for the support of one or more children,

are repealed by the Congress of the United States.

Senator Horsford moved the adoption of the amendment.
Remarks by Senator Horsford.
Senator Horsford requested that his remarks be entered in the Journal.

Senate Bill No. 320 requires the suspension of a driver's license for a person who fails to pay certain administrative fines and related costs to the Nevada Transportation Authority. It requires a person whose driver's license is suspended for the non-payment of administrative fines to the Authority to pay that fine and fee for the reinstatement of his or her driver's license. It provides that a short-term lessor is not liable for a fine or penalty related to the impoundment of certain vehicles if the vehicle was not in control of the short-term lessor at the time it was impounded. The bill prohibits the short-term lessor from offering, arranging for, or allowing the use of a paid driver whether directly or through an affiliated person.

The amendment as proposed removes the two-thirds requirement previously approved by the Committee.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that all necessary rules be suspended, and that Senate Bill No. 320 upon return from reprint, be declared an emergency measure under the Constitution and placed on third reading and final passage on the next agenda.
Motion carried.

Senator Schneider moved that Senate Bill No. 164 be taken from the General File and placed on the General File on the next agenda.
Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 211.
Bill read third time.
Remarks by Senator Denis.

Senator Denis requested that his remarks be entered in the Journal.

Senate Bill No. 211 requires the Legislative Committee on Education to conduct a study of the implementation of the Common Core State Standards. The study shall determine the extent to which public elementary and secondary schools have revised curriculum and instruction to implement the Common Core State Standards. The study shall include a review of teacher professional development and revision of the State assessment system. The study must be conducted in consultation with the Nevada Science, Technology, Engineering, and Mathematics (STEM) Education Coalition. The Committee shall report findings and recommendations to the 77th Session of the Legislature.

Roll call on Senate Bill No. 211:
YEAS—21.
NAYS—None.

Senate Bill No. 211 having received a constitutional majority,
Mr. President declared it passed.
Bill ordered transmitted to the Assembly.

Senate Bill No. 278.
Bill read third time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 848.
"SUMMARY—Revises provisions relating to health care and health insurance. (BDR 57-253)"

"AN ACT relating to health care; revising provisions governing the modification of contracts between insurers and providers of health care under certain circumstances; requiring the Department of Health and Human Services to report certain rates of reimbursement for physicians for care and services provided pursuant to certain state plans and programs which provide medical assistance; providing that certain requirements concerning health insurance shall be deemed not to apply to certain nonprofit entities; revising the requirement that certain insurers and health care facilities accept a standardized form to obtain information relating to the credentials of a provider of health care; requiring the Department to conduct a study concerning medical homes; requiring the Department to submit reports concerning certain studies to the Legislature; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Sections 8-12, 14 and 15 of this bill require written notice of a contract modification between certain insurers and a provider of health care which involves the insurer's schedule of payments to be sent to the provider at least 45 days before the proposed modification will take effect, and require such insurers, upon request, to submit to a provider of health care with whom they contract any changes to the fee schedule applicable to the provider's practice.

Section 14.5 of this bill imposes similar requirements with respect to contracts between an organization for dental care and a dentist and, consistent with similar provisions of law, provides that such a contract may be modified at any time pursuant to a written agreement executed by both parties.

Section 16 of this bill requires the Department of Health and Human Services, with respect to the State Plan for Medicaid and the Children's Health Insurance Program, to report every rate of reimbursement for physicians which is provided on a fee-for-service basis and which is lower than the rate provided on the current Medicare fee schedule for care and services provided by physicians. Section 16 also requires the Director of the Department to publish a schedule of such rates of reimbursement on an Internet website maintained by the Department and to submit an annual report concerning such rates to the Legislature.

Section 17.5 of this bill provides that certain requirements concerning health insurance that are enacted after January 1, 2011, shall be deemed not to apply to certain nonprofit entities.

Existing law requires the Commissioner of Insurance to prescribe a single, standardized form for use by insurers, carriers, societies, corporations, health maintenance organizations and managed care organizations to obtain any information relating to the credentials of a provider of health care. (NRS 629.095) Section 21 of this bill requires the Commissioner to prescribe
that form for use by hospitals, medical facilities and other facilities that provide health care.

Section 24.5 of this bill requires the Department of Health and Human Services to conduct a study concerning medical homes and to submit certain reports concerning the study to the Legislature. Section 24.7 of this bill imposes similar reporting requirements on the Department with respect to its study of electronic identification cards that contain information relating to health insurance.

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. NRS 689A.035 is hereby amended to read as follows:

689A.035 1. An insurer shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the insurer to its insureds.

2. An insurer shall not contract with a provider of health care to provide health care to an insured unless the insurer uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between an insurer and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the insurer upon giving to the provider 45 days' written notice of the modification of the insurer's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If an insurer contracts with a provider of health care to provide health care to an insured, the insurer shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes
to the fee schedule applicable to the provider's practice, specified in paragraph (a) within 7 days after receiving the request.

5. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 9. NRS 689B.015 is hereby amended to read as follows:

689B.015  1. An insurer that issues a policy of group health insurance shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the insurer to its insureds.

2. An insurer specified in subsection 1 shall not contract with a provider of health care to provide health care to an insured unless the insurer uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between an insurer specified in subsection 1 and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the insurer upon giving to the provider 45 days' written notice of the modification of the insurer's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If an insurer specified in subsection 1 contracts with a provider of health care to provide health care to an insured, the insurer shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider's practice, specified in paragraph (a) within 7 days after receiving the request.

5. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 10. NRS 689C.435 is hereby amended to read as follows:

689C.435  1. A carrier serving small employers and a carrier that offers a contract to a voluntary purchasing group shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the carrier to its insureds.

2. A carrier specified in subsection 1 shall not contract with a provider of health care to provide health care to an insured unless the carrier uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.
3. A contract between a carrier specified in subsection 1 and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the carrier upon giving to the provider 45 days' written notice of the modification of the carrier's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If a carrier specified in subsection 1 contracts with a provider of health care to provide health care to an insured, the carrier shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider's practice, specified in paragraph (a) within 7 days after receiving the request.

5. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 11. NRS 695A.095 is hereby amended to read as follows:

695A.095  1. A society shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the society to its insureds.

2. A society shall not contract with a provider of health care to provide health care to an insured unless the society uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between a society and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the society upon giving to the provider 45 days' written notice of the modification of the society's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If a society contracts with a provider of health care to provide health care to an insured, the society shall:
(a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
(b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, \textit{including any changes to the fee schedule applicable to the provider's practice}, specified in paragraph (a) within 7 days after receiving the request.

5. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

\textbf{Sec. 12.} NRS 695B.035 is hereby amended to read as follows:

695B.035 1. A corporation subject to the provisions of this chapter shall not charge a provider of health care a fee to include the name of the provider on a list of providers of health care given by the corporation to its insureds.

2. A corporation specified in subsection 1 shall not contract with a provider of health care to provide health care to an insured unless the corporation uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

3. A contract between a corporation specified in subsection 1 and a provider of health care may be modified:
(a) At any time pursuant to a written agreement executed by both parties.
(b) Except as otherwise provided in this paragraph, by the corporation upon giving to the provider \([30\text{ days}]\) \([45\text{ days}]\) written notice of the modification of the corporation's schedule of payments, \textit{including any changes to the fee schedule applicable to the provider's practice}. If the provider fails to object in writing to the modification within the \([30\text{ days}]\) \([45\text{ days}]\) period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the \([30\text{ days}]\) \([45\text{ days}]\) period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

4. If a corporation specified in subsection 1 contracts with a provider of health care to provide health care to an insured, the corporation shall:
(a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
(b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, \textit{including any changes to the fee schedule applicable to the provider's practice}, specified in paragraph (a) within 7 days after receiving the request.

5. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

\textbf{Sec. 13.} (Deleted by amendment.)

\textbf{Sec. 14.} NRS 695C.125 is hereby amended to read as follows:
Chapter 695C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A health maintenance organization shall not contract with a provider of health care to provide health care to an insured unless the health maintenance organization uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

2. A contract between a health maintenance organization and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the health maintenance organization upon giving to the provider 45 days' written notice of the modification of the health maintenance organization's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

3. If a health maintenance organization contracts with a provider of health care to provide health care to an enrollee, the health maintenance organization shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider's practice, specified in paragraph (a) within 7 days after receiving the request.

4. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 14.5. Chapter 695D of NRS is hereby amended by adding thereto a new section to read as follows:

1. A contract between an organization for dental care and a dentist may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the organization for dental care upon giving to the dentist 45 days' written notice of the modification of the organization for dental care's schedule of payments, including any changes to the fee schedule applicable to the dentist's practice. If the dentist fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the dentist objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).
2. If an organization for dental care contracts with a dentist, the organization for dental care shall:
   (a) If requested by the dentist at the time the contract is made, submit to the dentist the schedule of payments applicable to the dentist; or
   (b) If requested by the dentist at any other time, submit to the dentist the schedule of payments, including any changes to the fee schedule applicable to the dentist's practice, specified in paragraph (a) within 7 days after receiving the request.

3. The provisions of this section do not apply to an organization for dental care that provides services to recipients of Medicaid under the State Plan for Medicaid or insurance pursuant to the Children's Health Insurance Program pursuant to a contract with the Division of Health Care Financing and Policy of the Department of Health and Human Services. This subsection does not exempt an organization for dental care from any provision of this chapter for services provided pursuant to any other contract.

Sec. 15. NRS 695G.430 is hereby amended to read as follows:

695G.430 1. A managed care organization shall not contract with a provider of health care to provide health care to an insured unless the managed care organization uses the form prescribed by the Commissioner pursuant to NRS 629.095 to obtain any information related to the credentials of the provider of health care.

2. A contract between a managed care organization and a provider of health care may be modified:
   (a) At any time pursuant to a written agreement executed by both parties.
   (b) Except as otherwise provided in this paragraph, by the managed care organization upon giving to the provider within 45 days' written notice of the modification of the managed care organization's schedule of payments, including any changes to the fee schedule applicable to the provider's practice. If the provider fails to object in writing to the modification within the 45-day period, the modification becomes effective at the end of that period. If the provider objects in writing to the modification within the 45-day period, the modification must not become effective unless agreed to by both parties as described in paragraph (a).

3. If a managed care organization contracts with a provider of health care to provide health care services pursuant to chapter 689A, 689B, 689C, 695A, 695B or 695C of NRS, the managed care organization shall:
   (a) If requested by the provider of health care at the time the contract is made, submit to the provider of health care the schedule of payments applicable to the provider of health care; or
   (b) If requested by the provider of health care at any other time, submit to the provider of health care the schedule of payments, including any changes to the fee schedule applicable to the provider's practice, specified in paragraph (a) within 7 days after receiving the request.
4. As used in this section, "provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.

Sec. 16. Chapter 232 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The Department, with respect to the State Plan for Medicaid and the Children's Health Insurance Program, shall report every rate of reimbursement for physicians which is provided on a fee-for-service basis and which is lower than the rate provided on the current Medicare fee schedule for care and services provided by physicians.

2. The Director shall post on an Internet website maintained by the Department a schedule of such rates of reimbursement.

3. The Director shall, on or before February 1 of each year, submit a report concerning the schedule of such rates of reimbursement to the Director of the Legislative Counsel Bureau for transmittal to the Legislature in odd-numbered years or to the Legislative Committee on Health Care in even-numbered years.

Sec. 17. NRS 232.290 is hereby amended to read as follows:

232.290 As used in NRS 232.290 to 232.484, inclusive, and section 16 of this act, unless the context requires otherwise:

1. "Department" means the Department of Health and Human Services.

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

Sec. 17.5. Chapter 287 of NRS is hereby amended by adding thereto a new section to read as follows:

Any provision of this chapter which is enacted after January 1, 2011, and requires coverage for screening, diagnosis or treatment of any specific medical condition, or specifies or limits exclusions, limitations or eligibility requirements therefor, shall be deemed not to apply to any nonprofit entity that qualifies under Section 501(c) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c), as amended.

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. NRS 629.095 is hereby amended to read as follows:

629.095 1. Except as otherwise provided in subsection 2, the Commissioner of Insurance shall develop, prescribe for use and make available a single, standardized form for use by insurers, carriers, societies, corporations, health maintenance organizations, managed care organizations, hospitals, medical facilities and other facilities that provide health care in obtaining any information related to the credentials of a provider of health care.

2. The provisions of subsection 1 do not prohibit the Commissioner of Insurance from developing, prescribing for use and making available:

(a) Appropriate variations of the form described in that subsection for use in different geographical regions of this State.
(b) Addenda or supplements to the form described in that subsection to address, until such time as a new form may be developed, prescribed for use and made available, any requirements newly imposed by the Federal Government, the State or one of its agencies, or a body that accredits hospitals, medical facilities or health care plans.

3. With respect to the form described in subsection 1, the Commissioner of Insurance shall:
   (a) Hold public hearings to seek input regarding the development of the form;
   (b) Develop the form in consideration of the input received pursuant to paragraph (a);
   (c) Ensure that the form is developed in such a manner as to accommodate and reflect the different types of credentials applicable to different classes of providers of health care;
   (d) Ensure that the form is developed in such a manner as to reflect standards of accreditation adopted by national organizations which accredit hospitals, medical facilities and health care plans; and
   (e) Ensure that the form is developed to be used efficiently and is developed to be neither unduly long nor unduly voluminous.

4. As used in this section:
   (a) "Carrier" has the meaning ascribed to it in NRS 689C.025.
   (b) "Corporation" means a corporation operating pursuant to the provisions of chapter 695B of NRS.
   (c) "Health maintenance organization" has the meaning ascribed to it in NRS 695C.030.
   (d) "Insurer" means:
      (1) An insurer that issues policies of individual health insurance in accordance with chapter 689A of NRS; and
      (2) An insurer that issues policies of group health insurance in accordance with chapter 689B of NRS.
   (e) "Managed care organization" has the meaning ascribed to it in NRS 695G.050.
   (f) "Provider of health care" means a provider of health care who is licensed pursuant to chapter 630, 631, 632 or 633 of NRS.
   (g) "Society" has the meaning ascribed to it in NRS 695A.044.

Sec. 22. (Deleted by amendment.)
Sec. 23. (Deleted by amendment.)
Sec. 24. (Deleted by amendment.)
Sec. 24.5. 1. The Department of Health and Human Services shall conduct a study concerning medical homes. The study must include, without limitation, an evaluation of:
   (a) The progress made in the development of medical homes in this State;
   (b) The manner in which insurers work with medical homes concerning the adequacy of health care networks; and
(c) Models for reimbursement of medical homes and any options for different methods of preauthorization for the care and services provided by medical homes.

2. The Department shall:
   (a) During the calendar year 2012, submit such progress reports concerning the study to the Legislative Committee on Health Care as requested by the Committee; and
   (b) On or before January 1, 2013, submit a final report concerning the findings of the study, including the potential cost to this State of such medical homes and any recommendations for legislation, to the Director of the Legislative Counsel Bureau for transmittal to the 77th Session of the Nevada Legislature.

3. As used in this section, "medical home" means a medical practice which utilizes a model for the delivery of health care:
   (a) In which a patient establishes an ongoing relationship with a physician in a physician-directed team; and
   (b) The purpose of which is to provide comprehensive, accessible and continuous evidence-based primary and preventive care and to coordinate the health care needs of the patient across the health care system to improve quality, safety, access and health outcomes in a cost-effective manner.

Sec. 24.7. The Department of Health and Human Services, with respect to the study being conducted by the Department concerning electronic identification cards that contain information relating to health insurance, shall:

1. During the calendar year 2012, submit such progress reports concerning the study to the Legislative Committee on Health Care as requested by the Committee; and
2. On or before January 1, 2013, submit a final report concerning the findings of the study, including the potential cost to this State of such electronic identification cards and any recommendations for legislation, to the Director of the Legislative Counsel Bureau for transmittal to the 77th Session of the Nevada Legislature.

Sec. 25. 1. This section and section 17.5 of this act become effective upon passage and approval.
2. Sections 1 to 17, inclusive, 18, 19, 20 and 22 to 24.7, inclusive, of this act become effective on July 1, 2011.
3. Section 21 of this act becomes effective on January 1, 2012.

Senator Horsford moved the adoption of the amendment.
Remarks by Senator Horsford.
Senator Horsford requested that his remarks be entered in the Journal.

Amendment No. 848 requires written notice of a contract modification between insurers and providers of health care services. The notice must be provided at least 45 days prior to the effective date, which is an increase from the 30 days currently in statute. This requirement is also applicable to dental care and dentists; however, it does not apply to organizations that provide dental services to recipients of Medicaid or Nevada Check Up. Additionally, Senate Bill No. 278
requires the Department of Health and Human Services to report every rate of reimbursement for physicians that is provided on a fee-for-service basis through the Medicaid and Nevada Check Up programs and is lower than the rate currently paid for Medicare services. The rate schedules are to be published on the Department's website. The Department is also required to submit an annual report to the Legislature regarding these rates.

The statute requires the Insurance Commissioner to prescribe a single, standardized form for insurance providers to obtain information regarding the credentials of health care providers. Senate Bill No. 278, as amended, requires the Insurance Commissioner to prescribe that this form be used by hospitals, medical facilities and other facilities that provide health care.

I would like to thank the cosponsor of this bill, Senator Hardy, for working with me on this measure and the amendments proposed.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that all necessary rules be suspended, and that Senate Bill No. 278 be declared an emergency measure under the Constitution and placed on third reading and final passage on the next agenda.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 338.

Bill read third time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 849.

"SUMMARY—Revises provisions relating to reports of certain medical and related facilities. (BDR 40-261)"

"AN ACT relating to public health; requiring certain facilities for skilled nursing to submit information to the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services; requiring reports and publication of certain information relating to the readmission of patients who received care in hospitals; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill requires each facility for skilled nursing which provided medical services and care to an average of 25 or more patients during each business day in the immediately preceding calendar year to participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services. Section 1 also provides that other facilities for skilled nursing may participate in the system. Section 1 additionally requires the Health Division of the Department of Health and Human Services to report the information submitted to the system by all medical facilities on or after October 15, 2010, and skilled nursing facilities on or after January 1, 2012
and include the reports on the Internet website maintained by the Department.

Section 2 of this bill requires hospitals to submit, as part of the program to increase public awareness of health care information, data relating to potentially preventable readmissions. Section 1.5 of this bill defines a potentially preventable readmission as an unplanned readmission which occurs not more than 30 days after a patient was discharged and which is clinically related to the initial admission and was preventable. Section 4 of this bill requires the Department of Health and Human Services to post that information on an Internet website.

Existing law authorizes the Department to seek injunctive relief or civil penalties against facilities that violate the reporting requirements. (NRS 439A.200, 439A.310)

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

Section 1.  NRS 439.847 is hereby amended to read as follows:

439.847  1.  Each medical facility and facility for skilled nursing which provided medical services and care to an average of 25 or more patients during each business day in the immediately preceding calendar year shall, within 120 days after becoming eligible, participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services that integrates patient and health care personnel safety surveillance systems. As part of that participation, the medical facility or facility for skilled nursing shall provide, at a minimum, the information required by the Health Division pursuant to this subsection. The Health Division shall by regulation prescribe the information which must be provided by a medical facility or facility for skilled nursing, including, without limitation, information relating to infections and procedures.

2.  Each medical facility or facility for skilled nursing which provided medical services and care to an average of less than 25 patients during each business day in the immediately preceding calendar year may participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services that integrates patient and health care personnel safety surveillance systems.

3.  A medical facility or facility for skilled nursing that participates in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion shall authorize:

(a) Authorize the Health Division to access all information submitted to the system, and the Health Division shall enter into an agreement with the Division of Healthcare Quality Promotion to carry out the provisions of this section by:

(1) A medical facility, on or after October 15, 2010; and
(2) A facility for skilled nursing, on or after January 1, 2012; and
(b) Provide consent for the Health Division to prepare and post reports pursuant to paragraph (b) of subsection 4, including, without limitation, permission to identify the medical facility or facility for skilled nursing that is the subject of each report:

(1) For a medical facility, on or after October 15, 2010; and
(2) For a facility for skilled nursing, on or after January 1, 2012.

4. The Health Division shall:
   (a) Shall analyze the information submitted to the system by medical facilities and facilities for skilled nursing pursuant to this section and recommend regulations and legislation relating to the reporting required pursuant to NRS 439.800 to 439.890, inclusive.
   (b) Shall prepare a report of the information submitted to the system by each medical facility and each facility for skilled nursing pursuant to this section and provide the reports for inclusion on the Internet website maintained by the Department. The information must be reported in a manner that allows a person to compare the information for the medical facilities and for the facilities for skilled nursing.
   (c) Shall enter into an agreement with the Division of Healthcare Quality Promotion to carry out the provisions of this section.

5. As used in this section, "facility for skilled nursing" has the meaning ascribed to it in NRS 449.0039.

Sec. 1.5. [Chapter 439A of NRS is hereby amended by adding thereto a new section to read as follows:]

"Potentially preventable readmission" means an unplanned readmission of a patient which:

1. Occurs not more than 30 days after the patient is discharged;
2. Is clinically related to the initial admission; and

Sec. 1.7. [NRS 439A.200 is hereby amended to read as follows:]

439A.200 As used in NRS 439A.200 to 439A.290, inclusive, and section 1.5 of this act, unless the context otherwise requires, the words and terms defined in NRS 439A.205 and 439A.210 and section 1.5 of this act have the meanings ascribed to them in those sections.]

Sec. 2. NRS 439A.220 is hereby amended to read as follows:

439A.220 1. The Department shall establish and maintain a program to increase public awareness of health care information concerning the hospitals in this State. The program must be designed to assist consumers with comparing the quality of care provided by the hospitals in this State and the charges for that care.

2. The program must include, without limitation, the collection, maintenance and provision of information concerning:
   (a) Inpatients and outpatients of each hospital in this State as reported in the forms submitted pursuant to NRS 449.485;
(b) The quality of care provided by each hospital in this State as determined by applying uniform measures of quality prescribed by the Department pursuant to NRS 439A.230;

d (c) How consistently each hospital follows recognized practices to prevent the infection of patients, to speed the recovery of patients and to avoid medical complications of patients;

d (d) For each hospital, 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; and

d (e) The total number of patients discharged from the hospital and the total number of potentially preventable readmissions, which must be expressed as a rate of occurrence of potentially preventable readmissions and the average length of stay for those potentially preventable readmissions, and

Any other information relating to the charges imposed and the quality of the services provided by the hospitals in this State which the Department determines is:

(1) Useful to consumers;

(2) Nationally recognized; and

(3) Reported in a standard and reliable manner.

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. 3. (Deleted by amendment.)

Sec. 4. 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; and

(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) 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 reported by a hospital or surgical center for ambulatory patients for inpatients and outpatients which is contained on the Internet website is expressed as a total number and as a rate, and must be reported in a manner so as not to reveal the identity of a specific inpatient or outpatient of a hospital or surgical center for ambulatory patients;

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. 5. The Department of Health and Human Services shall adopt the regulations necessary to carry out the provisions of this act on or before January 1, 2012.

Sec. 6. This act becomes effective upon passage and approval for purposes of adopting regulations and on January 1, 2012, for all other purposes.

Senator Horsford moved the adoption of the amendment.

Remarks by Senator Horsford. Senator Horsford requested that his remarks be entered in the Journal.

Amendment No. 849 requires each medical facility and each skilled nursing facility that provides care to 25 or more patients in the immediately preceding calendar year to participate in the Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the federal Centers for Disease Control. The Health Division is required to access and report the information submitted to this system by all medical facilities on or after October 15, 2010, and by skilled nursing facilities on or after January 1, 2012, and then publish its report on the Department of Health and Human Services' website.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that all necessary rules be suspended, and that Senate Bill No. 338 be declared an emergency measure under the Constitution and placed on third reading and final passage on the next agenda.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 418.

Bill read third time.

Roll call on Senate Bill No. 418:

YEAS—11.


Senate Bill No. 418 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.
Senate Bill No. 449.
Bill read third time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 870.
"SUMMARY—Revises provisions governing tuition charges, registration fees and other fees assessed against students in the Nevada System of Higher Education. (BDR 34-932)"
"AN ACT relating to the Nevada System of Higher Education; authorizing the Board of Regents of the University of Nevada to fix tuition charges and assess registration fees and other fees based on the demand for or the costs of providing the academic program or major for which the tuition charges are fixed or the registration fees are assessed; requiring the Board of Regents to establish a program authorizing scholarships and reduced fees for students who are economically disadvantaged under certain circumstances; requiring the Board of Regents to make certain reports to the Legislature; requiring the Director of the Department of Employment, Training and Rehabilitation to provide certain information on employment and wages to the Board of Regents for purposes of the report made by the Board of Regents; and providing other matters properly relating thereto."
Legislative Counsel's Digest:
Existing law authorizes the Board of Regents of the University of Nevada to fix tuition charges for students at all campuses of the Nevada System of Higher Education. The tuition charges are in addition to any registration fees or other fees assessed against a student. (NRS 396.540) Section 2 of this bill authorizes the Board of Regents, in fixing tuition charges and assessing registration fees and other fees, to adjust the amount of the tuition charges and registration and other fees based on the demand for or the costs of carrying out the academic program or major for which the tuition charges or registration or other fees are assessed. The adjustment may be based on factors such as the cost of professional instruction, the cost of laboratory resources and ancillary costs. Section 2 also provides that if the Board of Regents adjusts the amount of tuition charges, registration fees or other fees based on the demand for or the costs of an academic program or major, the Board is required to establish a program to authorize scholarships and reduced fees for students who are economically disadvantaged and who are enrolled in academic programs or majors which are more costly as a result of the adjustments authorized by this bill. Finally, section 2 requires the Board of Regents to submit an annual report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature, or to the Legislative Commission if the Legislature is not in session, which identifies the demand for and the costs of each academic program and major and includes a schedule of all tuition charges, registration fees and other fees assessed for each academic program and major.
Section 3 of this bill requires the Board of Regents to submit a biennial report to the Legislature including certain information on: (1) the number and
percentage of students who complete academic programs at an institution within the System with a degree or certificate and a comparison with national statistics; (2) initiatives undertaken by the Board of Regents to increase the rate of students who complete academic programs with a degree or certificate; (3) the employment rate of students who complete a degree or certificate program and obtain employment in this State and the average starting salary; and (4) initiatives undertaken by the Board of Regents to align the degree and certificate programs offered by institutions within the System with the economic development goals identified by the Commission on Economic Development.

Existing law creates the Department of Employment, Training and Rehabilitation, provides for a Director of the Department and imposes certain duties on the Director. (NRS 232.910, 232.920) Section 3.5 of this bill requires the Director to provide certain employment and wage information to the Board of Regents for purposes of the report required of the Board of Regents by section 3 of this bill.

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

Section 1. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. In fixing a tuition charge for students at any campus of the System as provided by NRS 396.540 and in setting the amount of registration fees and other fees which are assessed against students, the Board of Regents may provide for the adjustment of the amount of the tuition charge or registration fee or other fee based on the demand for or the costs of carrying out the academic program or major for which the tuition charge, registration fee or other fee is assessed, including, without limitation, the costs of professional instruction, laboratory resources and other ancillary support.

2. If the Board of Regents provides for the adjustment of tuition charges, registration fees or other fees in the manner authorized by subsection 1, the Board of Regents shall establish a program to authorize scholarships and reduced fees for students who are economically disadvantaged and who are enrolled in academic programs or majors for which the adjustment of tuition charges, registration fees or other fees in the manner authorized by subsection 1 results in an increase in the costs of enrollment in such programs or majors.

3. If the Board of Regents provides for the adjustment of tuition charges, registration fees or other fees in the manner authorized by subsection 1, the Board of Regents shall, on or before February 1 of each year, submit a written report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature, or to the Legislative Commission if the Legislature is not in session, which must, without limitation:

(a) Identify the demand for each academic program and major;
(b) Identify the costs of providing each academic program and major; and

(c) Include a schedule of all tuition charges, registration fees and other fees assessed for each academic program and major.

4. As used in this section, "tuition charge" has the meaning ascribed to it in NRS 396.540.

Sec. 3. The Board of Regents shall, on or before February 1 of each odd-numbered year submit a written report to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature which includes:

1. By institution within the System and by each academic program at the institution:
   (a) The number of students who enter the academic program;
   (b) The percentage of students who complete the academic program; and
   (c) The average length of time for completion of the academic program to obtain a degree or certificate.

2. A comparison of the data which is reported pursuant to subsection 1 with available national metrics measuring how states throughout the country rank in the completion of academic programs leading to a degree or certificate and the average time for completion of those programs.

3. Initiatives undertaken by the Board of Regents to increase the rate of students who complete degree and certificate programs, including initiatives to shorten the time to complete those programs.

4. Based upon surveys of students who have completed an academic program and obtained a degree or certificate, the number and percentage of students who have obtained employment within their field of study in this State, and the average starting salary, which must be reported by institution within the System and by each academic program at the institution. The data must be:
   (a) Matched with industries identified in state economic development goals to determine whether students who graduated and obtained a degree or certificate are finding employment in those industries in this State; and
   (b) Based upon the employment and wage information provided by the Director of the Department of Employment, Training and Rehabilitation pursuant to NRS 232.920.

5. Initiatives undertaken by the Board of Regents to align the degree and certificate programs offered by the institutions within the System with the economic development goals identified by the Commission on Economic Development.

Sec. 3.5. NRS 232.920 is hereby amended to read as follows:

232.920 The Director:

1. Shall:
(a) Organize the Department into divisions and other operating units as needed to achieve the purposes of the Department;

(b) Upon request, provide the Director of the Department of Administration with a list of organizations and agencies in this State whose primary purpose is the training and employment of persons with disabilities;

(c) Except as otherwise provided by a specific statute, direct the divisions to share information in their records with agencies of local governments which are responsible for the collection of debts or obligations if the confidentiality of the information is otherwise maintained under the terms and conditions required by law;

(d) Provide the employment and wage information to the Board of Regents of the University of Nevada for purposes of the reporting required of the Board of Regents by subsection 4 of section 3 of this act.

2. Is responsible for the administration, through the divisions of the Department, of the provisions of NRS 426.010 to 426.720, inclusive, 426.740, 426.790 and 426.800, and chapters 612 and 615 of NRS, and all other provisions of law relating to the functions of the Department and its divisions, but is not responsible for the professional line activities of the divisions or other operating units except as otherwise provided by specific statute.

3. May employ, within the limits of legislative appropriations, such staff as is necessary for the performance of the duties of the Department.

Sec. 4. This act becomes effective on July 1, 2011.

Senator Horsford moved the adoption of the amendment.

Remarks by Senator Horsford. Senator Horsford requested that his remarks be entered in the Journal.

Amendment No. 870 requires the Director of the Department of Employment, Training and Rehabilitation to provide certain information on employment and wages to the Board of Regents for the purposes of the report that is required under this provision of the bill by the Board of Regents.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that Assembly Bills Nos. 48, 100, 148, 247, 531, 570, be taken from the General File and placed on the General File on the next agenda.

Motion carried.

Senator Horsford moved that all necessary rules be suspended, and that Senate Bill No. 449 be declared an emergency measure under the Constitution and placed on third reading and final passage on the next agenda.

Motion carried.
Senator Horsford moved that all Unfinished Business be moved to the next agenda.
Motion carried.
Senator Horsford moved that the Senate recess until 4 p.m.
Motion carried.
Senate in recess at 12:27 p.m.

SENATE IN SESSION

At 5:17 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Commerce, Labor and Energy, to which was referred Assembly Bill No. 432, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Your Committee on Commerce, Labor and Energy, to which were referred Assembly Bill Nos. 359, 524, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MICHAEL A. SCHNEIDER, Chair

Mr. President:
Your Committee on Natural Resources, to which was referred Assembly Bill No. 525, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MARK A. MANENDO, Chair

Mr. President:
Your Committee on Revenue, to which was re-referred Senate Bill No. 493, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

SHEILA LESLIE, Chair

MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that all necessary rules be suspended, all bills and resolutions reported out of committee be immediately placed, on the appropriate files, time permitting, for this legislative day.
Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 164.
Bill read third time.
The following amendment was proposed by Senator Schneider:
Amendment No. 859.
"SUMMARY—Revises provisions relating to senior claims examiners for third-party administrators. (BDR 57-232)"
"AN ACT relating to persons involved in the administration of insurance; requiring senior claims examiners for third-party administrators to be licensed; providing a penalty; authorizing the Administrator of the Division of Industrial Relations of the Department of Business and
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. 16.5. NRS 616A.400 is hereby amended to read as follows:

616A.400 The Administrator shall:
1. Prescribe by regulation the time within which adjudications and awards must be made.

2. Regulate forms of notices, claims and other blank forms deemed proper and advisable.

3. Prescribe by regulation the methods by which an insurer may approve or reject claims, and may determine the amount and nature of benefits payable in connection therewith.

4. Prescribe by regulation the method for reimbursing an injured employee for expenses necessarily incurred for travel more than 20 miles one way from the employee's residence or place of employment to his or her destination as a result of an industrial injury.

5. Determine whether an insurer or third-party administrator has provided adequate facilities in this State to administer claims and for the retention of a file on each claim.

6. Evaluate the services of private carriers provided to employers in:
   (a) Controlling losses; and
   (b) Providing information on the prevention of industrial accidents or occupational diseases.

7. Conduct such investigations and examinations of insurers or third-party administrators as the Administrator deems reasonable to determine whether any person has violated the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS or to obtain information useful to enforce or administer these chapters.

8. Prescribe by regulation the qualifications for final approval by the Division of an applicant for a certificate of registration as an administrator pursuant to subsection 3 of NRS 683A.0852. The regulations must set forth qualifications which provide for the final approval of those applicants whose approval is in the best interests of the people of this State.

9. Except with respect to any matter committed by specific statute to the regulatory authority of another person or agency, adopt such other regulations as the Administrator deems necessary to carry out the provisions of chapters 616A to 617, inclusive, of NRS.

Sec. 17. (Deleted by amendment.)

Sec. 18. [1] This section becomes effective upon passage and approval.

[2. Section 16.5 of this act becomes effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, for all other purposes.

[3. Sections 1 to 16, inclusive, and 17 of this act become effective upon passage and approval for the purpose of adopting regulations and on January 1, 2013, for all other purposes.]

Senator Schneider moved the adoption of the amendment.
Remarks by Senator Schneider.
Senator Schneider requested that his remarks be entered in the Journal. This amendment guts the bill. It puts in only Section 16.5, which has been agreed to by everyone. This is a worker compensation bill. It was controversial because someone would have to pay a fee. There is no fee in this bill now.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

Senate Bill No. 278.
Bill read third time.
Roll call on Senate Bill No. 278:
YEAS—21.
NAYS—None.

Senate Bill No. 278 having received a constitutional majority,
Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 320.
Bill read third time.
Roll call on Senate Bill No. 320:
YEAS—21.
NAYS—None.

Senate Bill No. 320 having received a constitutional majority,
Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 338.
Bill read third time.
Roll call on Senate Bill No. 338:
YEAS—21.
NAYS—None.

Senate Bill No. 338 having received a constitutional majority,
Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 449.
Bill read third time.
Roll call on Senate Bill No. 449:
YEAS—21.
NAYS—None.

Senate Bill No. 449 having received a constitutional majority,
Mr. President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 493.
Bill read third time.
MOTIONS, RESOLUTIONS AND NOTICES

Senator Horsford moved that Senate Bill No. 493 be placed at the bottom of the General File.

Motion carried.

GENERAL FILE AND THIRD READING

Assembly Bill No. 48.

Bill read third time.

Roll call on Assembly Bill No. 48:

YEAS—21.

NAYS—None.

Assembly Bill No. 48 having received a constitutional majority,

Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 100.

Bill read third time.

Roll call on Assembly Bill No. 100:

YEAS—21.

NAYS—None.

Assembly Bill No. 100 having received a constitutional majority,

Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 148.

Bill read third time.

Roll call on Assembly Bill No. 148:

YEAS—21.

NAYS—None.

Assembly Bill No. 148 having received a constitutional majority,

Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 247.

Bill read third time.

Roll call on Assembly Bill No. 247:

YEAS—14.

NAYS—Brower, Cegavske, Gustavson, Halseth, Kieckhefer, Roberson, Settelmeyer—7.

Assembly Bill No. 247 having received a two-thirds majority,

Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 531.

Bill read third time.

Roll call on Assembly Bill No. 531:

YEAS—21.

NAYS—None.
Assembly Bill No. 531 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 570.

Bill read third time.

Remarks by Senators Parks and Settelmeyer.

Senator Parks requested that the following remarks be entered in the Journal.

SENATOR PARKS:

Assembly Bill No. 570 revises the districts from which the Board of Regents of the University of Nevada are elected.

The measure retains a 13-member Board. The ideal population in each Board district is 153,712. The overall range of population deviation is 0.41 percent. The plan includes nine Board of Regents districts wholly in Clark County, one district partially in Clark County, one district wholly in Washoe County, one district in parts of Washoe County and Pershing County, and one district containing the remaining rural counties.

The bill provides for the use of the term "reelect" in the 2012 General Election under certain circumstances. The measure also includes a severability clause.

SENATOR SETTLEMEYER:

Thank you, Mr. President. I rise in support of the comments I made in Committee. This is a good map. It obeys the Voting Rights Act. I think everyone will support it. It is a very good map.

Roll call on Assembly Bill No. 570:

YEAS—21.

NAYS—None.

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

Bill ordered transmitted to the Assembly.

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, June 3, 2011

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 383, 575.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 380, 503.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate Amendment No. 688 to Assembly Bill No. 301; Senate Amendment No. 748 to Assembly Bill No. 360; Senate Amendment No. 590 to Assembly Bill No. 410; Senate Amendment No. 836 to Assembly Bill No. 473; Senate Amendment No. 751 to Assembly Bill No. 549.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate Amendment No. 632 to Assembly Bill No. 376.

Also, I have the honor to inform your honorable body that the Assembly on this day receded from its action on Senate Bill No. 101, Assembly Amendment No. 659.

MATTHEW BAKER
Assistant Chief Clerk of the Assembly
Senate Bill No. 24.
The following Assembly amendment was read:
Amendment No. 731.
"SUMMARY—Revises provisions concerning writs of execution in justice courts. (BDR 6-321)"
"AN ACT relating to courts; revising provisions concerning writs of execution in justice courts; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law provides that a writ of execution in a justice court may be issued by the justice of the peace who entered the judgment or any successor in office. (NRS 70.010) A justice of the peace may also renew such a writ of execution. (NRS 70.030) Additionally, existing law requires that a writ of execution in a justice court must contain certain information. (NRS 70.020)

Sections 1 and 2 of this bill authorize a justice of the peace or the clerk of the justice court, under the direction and supervision of a justice of the peace, to issue writs of execution in the justice court. Section 2 also revises the required information that such a writ of execution must contain. Section 3 of this bill provides that in addition to issuing writs of execution, a justice of the peace or the clerk of the justice court, under the direction and supervision of a justice of the peace, may also renew writs of execution.

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

Section 1. NRS 70.010 is hereby amended to read as follows:

70.010 1. Execution for the enforcement of a judgment of a justice court may be issued by a justice who entered the judgment, or any successor in office, or the clerk of the court, under the direction and supervision of a justice, on the application of the party entitled thereto, at any time within 6 years from the entry of judgment.

2. The court, or any justice thereof, may stay the execution of any judgment, including any judgment in a case of forcible or unlawful detainer, for a period not exceeding 10 days.

Sec. 2. NRS 70.020 is hereby amended to read as follows:

70.020 1. The execution must:

2. Be issued in the name of the State of Nevada, sealed with the seal of the court and subscribed by a justice or the clerk of the justice court, under the direction and supervision of a justice.

3. Bear date the day of its delivery to the officer.

4. Intelligibly refer to the judgment, by stating the names:

(a) Justice court in which the judgment was entered;
(b) Date when the judgment was entered;
(c) Names of the parties and the name;
(d) Name of the justice before whom, and of the county who entered the judgment; and
(e) County and the township or city where and the time when it was rendered.

5. Contain, in like cases, similar directions to the sheriff or constable, as are required by the provisions of chapter 21 of NRS, in an execution to the sheriff.

Sec. 3. NRS 70.030 is hereby amended to read as follows:
70.030 An execution may, at the request of the judgment creditor, be renewed before the expiration of the time fixed for its return, by the word "renewed" written thereon, with the date thereof, and subscribed by a justice or the clerk of the justice court, under the direction and supervision of a justice. Such renewal has the effect of an original issue and may be repeated as often as necessary. If an execution is returned unsatisfied, another may be afterwards issued.

Sec. 4. NRS 70.050 is hereby amended to read as follows:
70.050 Except as otherwise provided in this chapter, the provisions of chapter 21 of NRS are applicable to justice courts, the word "justice" being inserted in lieu of the word "judge" and "clerk" wherever they occur, wherever the word appears, and the word "constable" being substituted to that end for inserted in lieu of the word "sheriff." "Sheriff" wherever the word appears.

Sec. 5. This act becomes effective upon passage and approval.

Senator Wiener moved that the Senate concur in the Assembly amendment to Senate Bill No. 24
Motion carried by a constitutional majority.
Bill ordered enrolled.

Senate Bill No. 40.
The following Assembly amendment was read:
Amendment No. 612
"SUMMARY—Requires the State Public Works Board to adopt certain state agencies and officials to consult with the deputy manager for compliance and code enforcement before adopting regulations concerning the construction, maintenance, operation or safety of buildings or structures. (BDR 28-436)"

"AN ACT relating to real property; requiring the State Public Works Board to adopt certain state agencies and officials to consult with the deputy manager for compliance and code enforcement before adopting
regulations concerning the construction, maintenance, operation [and] or safety of [certain] buildings and structures; [requiring the deputy manager for compliance and code enforcement to make recommendations to the Board concerning such regulations] and providing other matters properly relating thereto."

Legislative Counsel's Digest:
[Section 1 of this bill requires the State Public Works Board to adopt regulations concerning the construction, maintenance, operation and safety of buildings and structures on property of this State or held in trust for any division of the State Government. Section 2 of this bill requires the deputy manager for compliance and code enforcement to make recommendations to the Board concerning these regulations.]

Existing law requires the State Public Works Board to appoint a deputy manager for compliance and code enforcement, who serves as the building official for all buildings and structures on property of the State or held in trust for any division of the State Government. (NRS 341.100) Existing law also authorizes or, in some cases, requires certain state agencies and officials to adopt regulations concerning the construction, maintenance, operation or safety of certain buildings or structures. (NRS 446.940, 449.250-449.430, 455C.110, 461.170, 472.040, 477.030) Specifically, these agencies and officials include the State Board of Health, the Department of Health and Human Services, the Division of Industrial Relations of the Department of Business and Industry, the Manufactured Housing Division of the Department of Business and Industry, the State Forester Firewarden and the State Fire Marshal. Sections 4-11 of this bill prohibit these state agencies and officials from adopting regulations which apply to the buildings and structures on property of this State or held in trust for any division of State Government and which conflict with the regulations adopted by the State Public Works Board. They require these state agencies and officials to consult with the deputy manager for compliance and code enforcement before adopting regulations concerning the construction, maintenance, operation or safety of buildings or structures in the State. Section 2 of this bill requires the deputy manager to consult with such an agency or official and to provide recommendations regarding how the agency or official's regulation, as it applies to buildings and structures on property of this State or held in trust for any division of the State Government, may be made consistent with other regulations which apply to such buildings or structures.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:
Section 1. Chapter 341 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Subject to the provisions of subsection 2, the Board shall adopt regulations concerning the construction, maintenance, operation and safety
of buildings and structures on property of this State or held in trust for any
division of the State Government.

2. Before adopting any regulation pursuant to subsection 1, the Board
shall consult with the State Board of Health, the Department of Health and
Human Services, the Division of Industrial Relations of the Department of
Business and Industry, the Manufactured Housing Division of the
Department of Business and Industry, the State Forester Firewarden or the
State Fire Marshal, as applicable, if such state agency or official has
authority to adopt similar regulations which apply to buildings and
structures that are not on property of the State or held in trust for a division
of the State Government. [Deleted by amendment.]

Sec. 2. NRS 341.100 is hereby amended to read as follows:

341.100 1. The Board shall appoint a Manager and a deputy manager
for compliance and code enforcement, each of whom must be approved by
the Governor. The Manager and the deputy manager for compliance and code
enforcement serve at the pleasure of the Board and the Governor.

2. The Manager, with the approval of the Board, shall appoint:
(a) A deputy manager for professional services; and
(b) A deputy manager for administrative, fiscal and constructional
services.

Each deputy manager appointed pursuant to this subsection serves at the
pleasure of the Manager.

3. The Manager may appoint such other technical and clerical assistants
as may be necessary to carry into effect the provisions of this chapter.

4. The Manager and each deputy manager are in the unclassified service
of the State. Except as otherwise provided in NRS 284.143, the Manager and
each deputy manager shall devote his or her entire time and attention to the
business of the office and shall not pursue any other business or occupation
or hold any other office of profit.

5. The Manager and the deputy manager for professional services must
each be a licensed professional engineer pursuant to the provisions of
chapter 625 of NRS or an architect registered pursuant to the provisions of
chapter 623 of NRS.

6. The deputy manager for administrative, fiscal and constructional
services must have a comprehensive knowledge of the principles of
administration and a working knowledge of the principles of engineering or
architecture as determined by the Board.

7. The deputy manager for compliance and code enforcement must have
a comprehensive knowledge of building codes and a working knowledge of
the principles of engineering or architecture as determined by the Board.

8. The Manager shall:
(a) Serve as the Secretary of the Board.
(b) Manage the daily affairs of the Board.
(c) Represent the Board before the Legislature.
Prepare and submit to the Board, for its approval, the recommended priority for proposed capital improvement projects and provide the Board with an estimate of the cost of each project.

Make recommendations to the Board for the selection of architects, engineers and contractors.

Make recommendations to the Board concerning the acceptance of completed projects.

Submit in writing to the Board, the Governor and the Interim Finance Committee a monthly report regarding all public works projects which are a part of the approved capital improvement program. For each such project, the monthly report must include, without limitation, a detailed description of the progress of the project which highlights any specific events, circumstances or factors that may result in:

1. Changes in the scope of the design or construction of the project or any substantial component of the project which increase or decrease the total square footage or cost of the project by 10 percent or more;
2. Increased or unexpected costs in the design or construction of the project or any substantial component of the project which materially affect the project;
3. Delays in the completion of the design or construction of the project or any substantial component of the project; or
4. Any other problems which may adversely affect the design or construction of the project or any substantial component of the project.

Have final authority to approve the architecture of all buildings, plans, designs, types of construction, major repairs and designs of landscaping.

The deputy manager for compliance and code enforcement shall serve as the building official for all buildings and structures on property of the State or held in trust for any division of the State Government; and consult with an agency or official that is considering adoption of a regulation described in sections 4, 5 or 8 to 11, inclusive, of this act and provide recommendations regarding regulations that the Board adopts pursuant to section 1 of this act concerning the construction, maintenance, operation and safety of how the regulation, as it applies to buildings and structures on property of this State or held in trust for any division of the State Government, may be made consistent with other regulations which apply to such buildings or structures.

Sec. 3. NRS 353.590 is hereby amended to read as follows:

353.590 If an agreement pursuant to NRS 353.500 to 353.630, inclusive, involves the construction, alteration, repair or remodeling of an improvement:
1. Except as otherwise provided in this section, the construction, alteration, repair or remodeling of the improvement may be conducted as specified in the agreement without complying with the provisions of:
(a) Any law requiring competitive bidding; or
(b) Chapter 341 of NRS.

2. The person or entity that enters into the agreement for the actual construction, alteration, repair or remodeling of the improvement shall include in the agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive.

3. The State or a state agency, the contractor who is awarded the contract or entered into the agreement to perform the construction, alteration, repair or remodeling of the improvement and any subcontractor on the project shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the State or a state agency had undertaken the project or had awarded the contract.

4. The provisions of:
   (a) [Subsection] Paragraph (b) of subsection 9 of NRS 341.100; and
   (b) NRS 341.105,
apply to the construction, alteration, repair or remodeling of the improvement.

Sec. 4. Chapter 446 of NRS is hereby amended by adding thereto a new section to read as follows:

[Notwithstanding any provision of law to the contrary,] Before the State Board of Health may adopt any regulation concerning the construction, maintenance, operation or safety of a building, structure on property or other property in this State for held in trust for any division of the State Government that conflicts with a regulation adopted pursuant to section 1 of this act, the Board shall consult with the deputy manager for compliance and code enforcement for the purposes of subsection 9 of NRS 341.100.

Sec. 5. Chapter 449 of NRS is hereby amended by adding thereto a new section to read as follows:

[Notwithstanding any provision of law to the contrary,] Before the State Department may adopt any regulation concerning the construction, maintenance, operation or safety of a building, structure on property or other property in this State for held in trust for any division of the State Government that conflicts with a regulation adopted by the State Public Works Board pursuant to section 1 of this act, the State Department shall consult with the deputy manager for compliance and code enforcement for the purposes of subsection 9 of NRS 341.100.

Sec. 6. NRS 449.250 is hereby amended to read as follows:

449.250 NRS 449.250 to 449.430, inclusive, and section 5 of this act may be cited as the Nevada Health Facilities Assistance Act.

Sec. 7. NRS 449.260 is hereby amended to read as follows:

449.260 As used in NRS 449.250 to 449.430, inclusive, and section 5 of this act:
1. "Community mental health center" means a facility providing services for the prevention or diagnosis of mental illness, or care and treatment of patients with mental illness, or rehabilitation of such persons, which services are provided principally for persons residing in a particular community in or near which the facility is situated.

2. "Construction" includes the construction of new buildings, modernization, expansion, remodeling and alteration of existing buildings, and initial equipment of such buildings, including medical transportation facilities, and includes architects' fees, but excludes the cost of off-site improvements and, except with respect to public health centers, the cost of the acquisition of the land.

3. "Facility for persons with mental retardation" means a facility specially designed for the diagnosis, treatment, education, training or custodial care of persons with mental retardation, including facilities for training specialists and sheltered workshops for persons with mental retardation, but only if such workshops are part of facilities which provide or will provide comprehensive services for persons with mental retardation.

4. "Federal Act" means 42 U.S.C. §§ 291 to 291o-l, inclusive, and 300k to 300t, inclusive, and any other federal law providing for or applicable to the provision of assistance for health facilities.

5. "Federal agency" means the federal department, agency or official designated by law, regulation or delegation of authority to administer the Federal Act.

6. "Health facility" includes a public health center, hospital, facility for hospice care, facility for persons with mental retardation, community mental health center, and other facility to provide diagnosis, treatment, care, rehabilitation, training or related services to persons with physical or mental impairments, including diagnostic or diagnostic and treatment centers, rehabilitation facilities and nursing homes, as those terms are defined in the Federal Act, and such other facilities for which federal aid may be authorized under the Federal Act, but, except for facilities for persons with mental retardation, does not include any facility furnishing primarily domiciliary care.

7. "Nonprofit health facility" means any health facility owned and operated by a corporation or association, no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or natural person.

8. "Public health center" means a publicly owned facility for the provision of public health services, including related facilities such as laboratories, clinics and administrative offices operated in connection with public health centers.

9. "State Department" means the Department of Health and Human Services, acting through its appropriate divisions.

Sec. 8. Chapter 455C of NRS is hereby amended by adding thereto a new section to read as follows:
[Notwithstanding any provision of law to the contrary,] Before the Division may adopt any regulation concerning the construction, maintenance, operation or safety of a building, or structure, or other property in this State held in trust for any division of the State Government that conflicts with a regulation adopted by the State Public Works Board pursuant to section 1 of this act, the Division shall consult with the deputy manager for compliance and code enforcement for the purposes of subsection 9 of NRS 341.100.

Sec. 9. Chapter 461 of NRS is hereby amended by adding thereto a new section to read as follows:

[Notwithstanding any provision of law to the contrary,] Before the State Forester Firewarden may adopt any regulation concerning the construction, maintenance, operation or safety of a building, or structure, or other property in this State held in trust for any division of the State Government that conflicts with a regulation adopted by the State Public Works Board pursuant to section 1 of this act, the State Forester Firewarden shall consult with the deputy manager for compliance and code enforcement for the purposes of subsection 9 of NRS 341.100.

Sec. 10. Chapter 472 of NRS is hereby amended by adding thereto a new section to read as follows:

[Notwithstanding any provision of law to the contrary,] Before the State Fire Marshal may adopt any regulation concerning the construction, maintenance, operation or safety of a building, or structure, or other property in this State held in trust for any division of the State Government that conflicts with a regulation adopted by the State Public Works Board pursuant to section 1 of this act, that is a state-owned building or facility, the State Fire Marshal shall consult with the deputy manager for compliance and code enforcement for the purposes of subsection 9 of NRS 341.100.

Sec. 11. Chapter 477 of NRS is hereby amended by adding thereto a new section to read as follows:

[Notwithstanding any provision of law to the contrary,] Before the State Board of Health, the Department of Health and Human Services, the Division of Industrial Relations of the Department of Business and Industry, the Manufactured Housing Division of the Department of Business and Industry, the State Forester Firewarden or the State Fire Marshal existing on the effective date of this act which concern the construction, maintenance, operation or safety of buildings or structures.
Sec. 13. This act becomes effective upon passage and approval.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 40

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 65.

The following Assembly amendment was read:

Amendment No. 645. "SUMMARY—Revises provisions concerning the quarterly publication of certain financial information by certain local governments. (BDR 21-400)"

"AN ACT relating to local financial administration; revising provisions concerning the quarterly publication of certain financial information by an incorporated city or a county; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires the clerk and council of each city incorporated under general law or charter to publish in a newspaper a quarterly statement of the city's finances that shows the receipts and disbursements and the details of each bill that the city has paid. (NRS 268.030) Section 2 of this bill requires the publication of only the total amounts of the city's receipts, disbursements and bills paid for the quarter but expressly provides that the receipts, bills and other documents which support each transaction that is included in the published totals are public records which are available for inspection and copying. Section 2 also requires publication of the financial statement on the Internet website of the city, if the city maintains an Internet website. Section 1 of this bill eliminates a duplicative requirement for the publication of financial information that only applies to the city clerks of cities incorporated under general law.

Under existing law, a board of county commissioners is required to publish in a newspaper a quarterly financial statement of receipts, expenditures and bills allowed. (NRS 244.225, 354.210) Sections 3 and 4 of this bill require the publication of only the total amounts of the county's receipts, expenditures and bills allowed but expressly provides that the receipts, bills and other documents which support each transaction that is included in the published totals are public records which are available for inspection and copying. Sections 3 and 4 also require publication of the financial statement on the Internet website of the county if the county maintains an Internet website.
Section 4 of this bill requires the Committee on Local Government Finance to adopt regulations regarding the appropriate format for the financial statements posted on the Internet website of cities and counties.

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

Section 1. NRS 266.480 is hereby amended to read as follows:

266.480 The city clerk shall:
1. Keep the office of the city clerk at the place of meeting of the city council, or some other place convenient thereto, as the council may direct.
2. Keep the corporate seal and all papers and records of the city.
3. Keep a record of the proceedings of the city council, whose meetings the city clerk shall attend.
4. Countersign all contracts made in behalf of the city, and every such contract or contracts to which the city is a party shall be void unless signed by the city clerk.
5. Cause to be published quarterly in some newspaper published in the city a statement of the finances of the city, showing receipts and disbursements, and bills allowed and paid. The statement shall be signed by the mayor and attested by the city clerk. If there should be no newspaper published in the county, the financial statement shall be published in a newspaper of general circulation in the county.

Sec. 2. NRS 268.030 is hereby amended to read as follows:

268.030 1. After March 23, 1939, the city clerk and city council of every incorporated city in this state, whether incorporated under the provisions of chapter 266 of NRS or under the provisions of a special act, shall cause to be published quarterly in some newspaper, published as hereinafter provided, a statement of the finances of the city, showing the total amounts of receipts, disbursements, exhibiting in detail the amounts and bills allowed and paid for the period covered by the statement. The statement must:
   (a) Inform the public of the provisions of subsection 3;
   (b) If the city maintains an official Internet website, inform the public of where the financial statement is posted on the Internet website pursuant to subsection 2;
   (c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
   (d) Provide the address of the city office or offices where the public may view the detailed financial documents;
   (e) Be signed by the mayor and attested by the city clerk; and
   (f) Be published in a newspaper published in the city for a period of at least 5 consecutive days. If there shall be no newspaper is published in the city, then the financial statement must be published in a newspaper published in the county, and if there be no newspaper is published in the county, the financial statement shall...
must be published in a newspaper of general circulation in the county or posted by the city clerk at the door of the city hall.

2. If a city maintains an official Internet website, the city clerk and city council shall maintain and update quarterly on the Internet website of the city a statement of the finances of the city, showing the total amounts of receipts, disbursements and bills allowed and paid for the period covered by the statement. The statement must:
   (a) Inform the public of the provisions of subsection 3;
   (b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
   (c) Provide the address of the city office or offices where the public may view the detailed financial documents; and
   (d) Be signed by the mayor and attested by the city clerk.

3. The original and any duplicate or copy of each receipt, bill, invoice, check, warrant, voucher or other similar document that supports a transaction, the amount of which is included in the total amounts shown in the financial statement published pursuant to this section is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.

4. Any city officer who violates the provisions of this section is guilty of a misdemeanor.

Sec. 3. NRS 244.225 is hereby amended to read as follows:

244.225 1. The board of county commissioners shall publish quarterly a statement of the total amounts of receipts and expenditures of the 3 months next preceding, and the total amounts of accounts allowed. Publications shall be made by making one insertion of the statement in a newspaper published in the county, but if no newspaper is published in the county, then such publication shall be made by posting a copy of the statement at the courthouse door and at two other public places in the county. The statement must:
   (a) Inform the public of the provisions of subsection 3;
   (b) If the county maintains an official Internet website, inform the public of where the financial statement is posted on the Internet website pursuant to subsection 2;
   (c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;
   (d) Provide the address of the county office or offices where the public may view the detailed financial documents; and
   (e) Be published for a period of at least 5 consecutive days.

2. If a county maintains an official Internet website, the board of county commissioners shall maintain and update quarterly on the Internet website of the county a statement of the total amounts of receipts
and expenditures of the 3 months next preceding and the total amounts of accounts allowed. The statement must:

(a) Inform the public of the provisions of subsection 3;
(b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents; and
(c) Provide the address of the county office or offices where the public may view the detailed financial documents.

(d) Be published on the official Internet website of the county for a period of at least 5 consecutive days.

3. The original and any duplicate or copy of each receipt, bill, invoice, check, warrant, voucher or other similar document that supports a transaction, the amount of which is included in the total amounts shown in the statement published pursuant to this section, is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.

Sec. 4. NRS 354.107 is hereby amended to read as follows:

354.107 1. The Committee on Local Government Finance may adopt such regulations as are necessary for the administration of this chapter.  
2. The Committee on Local Government Finance shall adopt regulations prescribing the format of the financial statement posted on the Internet website of a city or county pursuant to NRS 244.225, 268.030 and 354.210.  
3. Any regulations adopted by the Committee on Local Government Finance must be adopted in the manner prescribed for state agencies in chapter 233B of NRS.

Sec. 5. NRS 354.210 is hereby amended to read as follows:

354.210 1. Except as provided in subsection 3, the board of county commissioners shall cause a statement of the total amount of all bills allowed by it together with the names of the persons to whom such allowances are made and for what such allowances are made, to be published in some newspaper published in the county. The statement must:
(a) Inform the public of the provisions of subsection 5;  
(b) If the county maintains an official Internet website, inform the public of where the financial statement is posted on the Internet website pursuant to subsection 4;  
(c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;  
(d) Provide the address of the county office or offices where the public may view the detailed financial documents; and  
(e) Be published for a period of at least 5 consecutive days.

2. The amount paid for such publication shall not exceed the statutory rate for publication of legal notices, and the publication shall not extend beyond a single insertion.

3. Where no newspaper is published in a county, the board of county commissioners may cause to be published, in some newspaper having a
general circulation within the county, the allowances provided for in subsection 1, or shall cause the clerk of the board to post such allowances at the door of the courthouse.

4. If a county maintains an official Internet website, the board of county commissioners shall publish, maintain and update quarterly on the official Internet website of the county a statement of the total amount of bills allowed by it. The statement must:
   (a) Inform the public of the provisions of subsection 5;
   (b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents; and
   (c) Provide the address of the county office or offices where the public may view the detailed financial documents.

(d) Be published on the official Internet website of the county for a period of at least 5 consecutive days.

5. The original and any duplicate or copy of each bill, including, without limitation, the amount of the bill, the name of the person to whom such allowance is made and for what such allowance is made, or any other document that supports a transaction, the amount of which is included in the total amount shown in the statement published pursuant to this section, is a public record that is available for inspection and copying by any person pursuant to the provisions of chapter 239 of NRS.

Sec. 6. The Committee on Local Government Finance shall adopt the regulations required pursuant to subsection 2 of NRS 354.107, as amended by section 4 of this act, on or before January 15, 2012.

Sec. 7. This act becomes effective upon passage and approval for the purpose of adopting regulations and performing any other preparatory tasks that are necessary to carry out the provisions of this act and on January 15, 2012, for all other purposes.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 65
Motion carried by a constitutional majority.
Bill ordered enrolled.

Senate Bill No. 92.
The following Assembly amendment was read:
Amendment No. 593. "SUMMARY—Authorizes redevelopment agencies to expend money to improve schools. Makes various changes relating to development.
(BDR 22-579)"

"AN ACT relating to community redevelopment; development; revising provisions relating to the preservation of historic neighborhoods in certain regional plans; authorizing redevelopment agencies to expend money, subject to certain limitations, to improve educational facilities located within certain cities or counties; requiring redevelopment agencies to file reports with their respective governing bodies and the
Director of the Legislative Counsel Bureau; requiring certain redevelopment agencies to set aside certain revenue from property taxes for an additional purpose; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill removes the specific requirement of addressing the preservation of historic neighborhoods in the regional plan of a county whose population is 100,000 or more but less than 400,000 (currently Washoe County).

Section 2 of this bill requires a redevelopment agency to submit, upon adoption of a redevelopment plan for a redevelopment area, an initial report containing certain specified information regarding each redevelopment area to the legislative body of the community and to the Nevada Legislature. Each agency is also required to submit an annual report containing information for the redevelopment area for the previous fiscal year, including with respect to areas in existence on July 1, 2011. Section 7 of this bill provides for the submission of an initial report for each redevelopment area for which a redevelopment plan has been adopted before July 1, 2011.

Existing law authorizes the legislative body of a community, having recognized the need for a redevelopment agency to function in the community, to establish a redevelopment revolving fund. (NRS 279.386, 279.392, 279.396, 279.410, 279.620) Existing law also specifies the manner in which, and the permissible purposes for which, money may be expended from the redevelopment revolving fund. (NRS 279.628) This Section 5 of this bill expands the permissible purposes for which money may be expended from a redevelopment revolving fund to include use by a redevelopment agency for the improvement, with certain limitations, of educational facilities in a city or county with a redevelopment area within its boundaries.

Section 6 of this bill requires the redevelopment agency of a city whose population is 300,000 or more (currently the City of Las Vegas) that receives certain revenue from taxes to set aside a portion of those revenues received on or after October 1, 2011, to be used to increase, improve and preserve, in addition to the number of dwelling units in the community for low-income households, the number of educational facilities within the redevelopment area.

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

Section 1. NRS 278.0274 is hereby amended to read as follows:

278.0274 The comprehensive regional plan must include goals, policies, maps and other documents relating to:

1. Population, including a projection of population growth in the region and the resources that will be necessary to support that population.
2. Conservation, including policies relating to the use and protection of air, land, water and other natural resources, ambient air quality, natural recharge areas, floodplains and wetlands, and a map showing the areas that are best suited for development based on those policies.

3. The limitation of the premature expansion of development into undeveloped areas, preservation of neighborhoods, including without limitation, historic neighborhoods, and revitalization of urban areas, including without limitation, policies that relate to the interspersion of new housing and businesses in established neighborhoods and set forth principles by which growth will be directed to older urban areas.

4. Land use and transportation, including the classification of future land uses by density or intensity of development based upon the projected necessity and availability of public facilities, including without limitation, schools, and services and natural resources, and the compatibility of development in one area with that of other areas in the region. This portion of the plan must:
   (a) Address, if applicable:
      (1) Mixed-use development, transit-oriented development, master-planned communities and gaming enterprise districts; and
      (2) The coordination and compatibility of land uses with each military installation in the region, taking into account the location, purpose and stated mission of the military installation;
   (b) Allow for a variety of uses;
   (c) Describe the transportation facilities that will be necessary to satisfy the requirements created by those future uses; and
   (d) Be based upon the policies and map relating to conservation that are developed pursuant to subsection 2, surveys, studies and data relating to the area, the amount of land required to accommodate planned growth, the population of the area projected pursuant to subsection 1, and the characteristics of undeveloped land in the area.

5. Public facilities and services, including provisions relating to sanitary sewer facilities, solid waste, flood control, potable water and groundwater aquifer recharge which are correlated with principles and guidelines for future land uses, and which specify ways to satisfy the requirements created by those future uses. This portion of the plan must:
   (a) Describe the problems and needs of the area relating to public facilities and services and the general facilities that will be required for their solution and satisfaction;
   (b) Identify the providers of public services within the region and the area within which each must serve, including service territories set by the Public Utilities Commission of Nevada for public utilities;
   (c) Establish the time within which those public facilities and services necessary to support the development relating to land use and transportation must be made available to satisfy the requirements created by that development; and
(d) Contain a summary prepared by the regional planning commission regarding the plans for capital improvements that:

(1) Are required to be prepared by each local government in the region pursuant to NRS 278.0226; and

(2) May be prepared by the water planning commission of the county, the regional transportation commission and the county school district.

6. Annexation, including the identification of spheres of influence for each unit of local government, improvement district or other service district and specifying standards and policies for changing the boundaries of a sphere of influence and procedures for the review of development within each sphere of influence. As used in this subsection, "sphere of influence" means an area into which a political subdivision may expand in the foreseeable future.

7. Intergovernmental coordination, including the establishment of guidelines for determining whether local master plans and facilities plans conform with the comprehensive regional plan.

8. Any utility project required to be reported pursuant to NRS 278.145.

[[Section 1.]] Sec. 2. Chapter 279 of NRS is hereby amended by adding thereto a new section to read as follows:

1. In addition to the report required pursuant to the provisions of subsection 2, for each redevelopment area for which a redevelopment plan is adopted pursuant to the provisions of NRS 279.586 on or after the effective date of this act, on or before the January 1 next after the adoption of the plan, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area:

(a) A legal description of the boundaries of the redevelopment area;

(b) The date on which the redevelopment plan for the redevelopment area was adopted;

(c) The scheduled termination date of the redevelopment plan;

(d) The total sum of the assessed value of the taxable property in the redevelopment area for:

(1) The fiscal year immediately preceding the adoption of the redevelopment plan; and

(2) The fiscal year during which the redevelopment plan was adopted, if such fiscal year ends before the reporting deadline;

(e) The combined overlapping tax rate of the redevelopment area;

(f) The property tax rate of the redevelopment area;

(g) The property tax revenue expected to be received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area during the first fiscal year that the agency will receive an allocation pursuant to the provisions of NRS 279.676;
(h) Copies of any memoranda of understanding into which the agency enters during the fiscal year in which the redevelopment plan was adopted; and

(i) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt.

2. On or before January 1 of each year, for each redevelopment area for which a redevelopment plan has been adopted pursuant to the provisions of NRS 279.586, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area for the previous fiscal year:

(a) The property tax revenue received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area;

(b) The combined overlapping tax rate of the redevelopment area;

(c) The property tax rate of the redevelopment area;

(d) The total sum of the assessed value of the taxable property in the redevelopment area;

(e) If the amount reported pursuant to the provisions of paragraph (d) is less than the total sum of the assessed value of the taxable property in the redevelopment area for any other previous fiscal year, an explanation of the reason for the difference;

(f) Copies of any memoranda of understanding into which the agency enters;

(g) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt; and

(h) Any change to the boundary of the redevelopment area and an explanation of the reason for the change.

3. Any report for a redevelopment area submitted pursuant to the provisions of subsection 1 must be submitted with the report for the redevelopment area submitted pursuant to the provisions of subsection 2.

**Sec. 3.** NRS 279.382 is hereby amended to read as follows:

279.382 The provisions contained in NRS 279.382 to 279.685, inclusive, and section 2 of this act may be cited as the Community Redevelopment Law.

**Sec. 4.** NRS 279.384 is hereby amended to read as follows:

279.384 As used in NRS 279.382 to 279.685, inclusive, and section 2 of this act, unless the context otherwise requires, the words and terms defined in NRS 279.386 to 279.414, inclusive, have the meanings ascribed to them in those sections.

**Sec. 5.** NRS 279.628 is hereby amended to read as follows:

279.628 1. By resolution of the legislative body adopted by a majority vote any money in the redevelopment revolving fund may be expended from time to time for:

(a) The acquisition of real property in any redevelopment area.
(b) The clearance, aiding in relocation of occupants of the site and preparation of any redevelopment area for redevelopment.

2. By resolution of the legislative body adopted by a two-thirds vote, any money in the redevelopment revolving fund may be paid to the agency, upon such terms and conditions as the legislative body may prescribe for any of the following purposes:

(a) Deposit in a trust fund to be expended for the acquisition of real property in any redevelopment area.

(b) The clearance of any redevelopment area for redevelopment.

(c) Any expenses necessary or incidental to the carrying out of a redevelopment plan which has been adopted by the legislative body.

(d) Subject to the provisions of subsection 3, to be used by the agency for

\[ \text{For the provision of grants to pay the costs related to the improvement of educational facilities in the community.} \]

3. Money paid to the agency pursuant to paragraph (d) of subsection 2 may only be in the form of grants and may not be used, except for the cost of any regular expenses of such an educational facility.

Sec. 6. NRS 279.685 is hereby amended to read as follows:

279.685 1. Except as otherwise provided in this section, an agency of a city whose population is 300,000 or more that receives revenue from taxes pursuant to paragraph (b) of subsection 1 of NRS 279.676 shall set aside not less than 15:

(a) Fifteen percent of that revenue received on or before October 1, 1999, and 18 percent of that revenue received after October 1, 1999, but before October 1, 2011, to increase, improve and preserve the number of dwelling units in the community for low-income households; and

(b) Eighteen percent of that revenue received on or after October 1, 2011, to increase, improve and preserve the number of:

(1) Dwelling units in the community for low-income households; and

(2) Educational facilities within the redevelopment area.

2. The obligation of an agency to set aside not less than 15 percent of the revenue from taxes allocated to and received by the agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 is subordinate to any existing obligations of the agency. As used in this subsection, "existing obligations" means the principal and interest, when due, on any bonds, notes or other indebtedness whether funded, refunded, assumed or otherwise incurred by the agency before July 1, 1993, to finance or refinance in whole or in part, the redevelopment of a redevelopment area. For the purposes of this subsection, obligations incurred by an agency after July 1, 1993, shall be deemed existing obligations if the net proceeds are used to refinance existing obligations of the agency.

3. The obligation of an agency to set aside an additional 3 percent of the revenue from taxes allocated to and received by the agency pursuant to paragraph (b) of subsection 1 of NRS 279.676 is subordinate to any existing obligations of the agency. As used in this subsection, "existing obligations"
means the principal and interest, when due, on any bonds, notes or other indebtedness whether funded, refunded, assumed or otherwise incurred by the agency before October 1, 1999, to finance or refinance in whole or in part, the redevelopment of a redevelopment area. For the purposes of this subsection, obligations incurred by an agency after October 1, 1999, shall be deemed existing obligations if the net proceeds are used to refinance existing obligations of the agency.

4. From the revenue set aside by an agency pursuant to paragraph (b) of subsection 1, not more than 50 percent of that amount may be used to:

   (a) Increase, improve and preserve the number of dwelling units in the community for low-income households; or
   
   (b) Increase, improve and preserve the number of educational facilities within the redevelopment area,

   unless the agency establishes that such an amount is insufficient to pay the cost of a project identified in the redevelopment plan for the redevelopment area.

5. Except as otherwise provided in paragraph (b) of subsection 1 and subsection 4, the agency may expend or otherwise commit money for the purposes of subsection 1 outside the boundaries of the redevelopment area.

Sec. 7. 1. On or before January 1, 2012, for each redevelopment area for which a redevelopment plan has been adopted pursuant to the provisions of NRS 279.586 before July 1, 2011, the agency shall submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature and to the legislative body a report on a form prescribed by the Committee on Local Government Finance that includes, without limitation, the following information for the redevelopment area:

   (a) A legal description of the boundaries of the redevelopment area;
   
   (b) The date on which the redevelopment plan for the redevelopment area was adopted;
   
   (c) The scheduled termination date of the redevelopment plan;
   
   (d) The total sum of the assessed value of the taxable property in the redevelopment area for:

   (1) The fiscal year immediately preceding the adoption of the redevelopment plan;
   
   (2) The fiscal year during which the redevelopment plan was adopted;
   
   (3) The combined overlapping tax rate of the redevelopment area;
   
   (4) The property tax rate of the redevelopment area;
   
   (5) The property tax revenue received from any tax increment area, as defined in NRS 278C.130, within the redevelopment area for the fiscal year ending June 30, 2011;

   (6) Copies of any memoranda of understanding into which the agency enters during the fiscal year ending June 30, 2011; and

   (7) The amortization schedule for any debt incurred for the redevelopment area and the reasons for incurring the debt.
2. As used in this section:
   (a) "Agency" has the meaning ascribed to it in NRS 279.386.
   (b) "Legislative body" has the meaning ascribed to it in NRS 279.396.
   (c) "Redevelopment area" has the meaning ascribed to it in NRS 279.410.

Sec. 8. This act becomes effective upon passage and approval on July 1, 2011.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 92
Motion carried by a constitutional majority.
Bill ordered enrolled.

Senate Bill No. 110.
The following Assembly amendment was read:
Amendment No. 594.

"SUMMARY—Requires the establishment of a business license to engage in contracting licenses in certain counties and cities in this State. (BDR 20-820)"

"AN ACT relating to businesses; requiring a board of county commissioners and the governing bodies of certain incorporated cities to enter into an agreement to establish a business license to allow a licensed contractor to engage in the business of contracting in the county and cities under certain circumstances; authorizing a board of county commissioners and the governing bodies of certain other incorporated cities to enter into such an agreement; revising the circumstances for obtaining a county or city business license; revising certain provisions for the issuance of a license for a food establishment; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law authorizes counties, cities and towns to issue business licenses and permits to operate a business within the limits of the county, city or town and to collect taxes on those licenses. (NRS 244.335, 266.355, 268.095, 269.170) Sections 1 and 2 of this bill require the board of county commissioners in a county whose population is 700,000 or more (currently Clark County) and the governing body of each incorporated city whose population is 150,000 or more located in such a county (currently Henderson, Las Vegas and North Las Vegas) to enter into an agreement with each other for the establishment of a business license to allow a licensed contractor to engage in the business of contracting in the county and cities if the contractor: (1) has a place of business in an unincorporated area of the county; or (2) does not have a place of business in the county. Sections 1 and 2 also require such a board of county commissioners to enter into similar agreements with the governing body of each incorporated city whose population is less than 150,000 located in the county (currently Boulder City and Mesquite) who chooses to enter into such an agreement. Sections 1 and 2 further require the board of county
commissioners and governing body of each incorporated city to establish by ordinance a system for issuing the business license which sets forth the requirements for obtaining the license and the fees for the issuance and renewal of the license.

Existing law requires an applicant for a county or city business license to sign an affidavit to affirm that he or she has complied with the business licensing provisions of this State. (NRS 244.335, 268.095) Sections 1.5 and 3 of this bill provide for an alternative procedure for an applicant to prove compliance by providing his or her entity number assigned by the Secretary of State for investigation by the city council or board of county commissioners to whom he or she is applying. Existing law also requires an applicant for a city or county business license to sign an affidavit affirming that the business maintains certain insurance requirements. (NRS 244.33505, 268.0955) Sections 1.7 and 3.5 of this bill allow an applicant to attest to his or her compliance with these provisions instead of providing a physical signature if the applicant submits his or her application electronically.

Existing law prohibits a city, county or other licensing authority from issuing a license for the operation of a food establishment until the owner has obtained the required permit by the health authority. (NRS 446.877) Section 3.7 of this bill authorizes the board of county commissioners or the governing body of an incorporated city to issue a license to a food establishment contingent upon the owner’s obtaining the required health permit.

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

Section 1. Chapter 244 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The board of county commissioners in each county whose population is 700,000 or more shall enter into an agreement in accordance with the provisions of NRS 277.080 to 277.180, inclusive, with the governing body of each city whose population is 150,000 or more located within the county and with the governing body of each city located within the county whose population is less than 150,000 who chooses to enter into such an agreement for the establishment of a business license to authorize a person who is licensed as a contractor pursuant to chapter 624 of NRS to engage in the business of contracting within the county and each of those cities.

2. The agreement required pursuant to subsection 1 must set forth the purposes, powers, rights, obligations and responsibilities, financial and otherwise, of the county and each city that enters into the agreement.

3. Upon entering into the agreement required pursuant to subsection 1, the board of county commissioners shall establish by ordinance a system for issuing such a business license that authorizes a person who is licensed as a contractor pursuant to chapter 624 of NRS to engage in the business
of contracting within the county and each city that entered into the agreement pursuant to subsection 1 and in which the person intends to conduct business.

4. An ordinance adopted pursuant to the provisions of subsection 3 must include, without limitation:
   (a) The requirements for obtaining the business license;
   (b) The fees for the issuance and renewal of the business license; and
   (c) Any other requirements necessary to establish the system for issuing the business license.

5. A person who is licensed as a contractor pursuant to chapter 624 of NRS is eligible to obtain from the county a business license that authorizes the person to engage in the business of contracting within the county and each city located in the county which enters into an agreement pursuant to subsection 1 and in which the person intends to conduct business if the person meets the requirements set forth in the ordinance to qualify for the license and:
   (a) The person maintains only one place of business within the county and the place of business is located within the unincorporated area of the county;
   (b) The person maintains more than one place of business within the county and each of those places of business is located within the unincorporated area of the county; or
   (c) The person does not maintain any place of business within the county.

6. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

Sec. 1.5. NRS 244.335 is hereby amended to read as follows:

244.335 1. Except as otherwise provided in subsections 2, 3 and 4, and section 1 of this act, a board of county commissioners may:
   (a) Except as otherwise provided in NRS 244.331 to 244.3345, inclusive, 598D.150 and 640C.100, regulate all character of lawful trades, callings, industries, occupations, professions and business conducted in its county outside of the limits of incorporated cities and towns.
   (b) Except as otherwise provided in NRS 244.3359 and 576.128, fix, impose and collect a license tax for revenue or for regulation, or for both revenue and regulation, on such trades, callings, industries, occupations, professions and business.

2. The county license boards have the exclusive power in their respective counties to regulate entertainers employed by an entertainment by referral service and the business of conducting a dancing hall, escort service, entertainment by referral service or gambling game or device permitted by law, outside of an incorporated city. The county license boards may fix, impose and collect license taxes for revenue or for regulation, or for both revenue and regulation, on such employment and businesses.
3. A board of county commissioners shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

4. The board of county commissioners or county license board shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

   (a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and

   (b) Practices his or her profession for any type of compensation as an employee.

5. The county license board shall provide upon request an application for a state business license pursuant to chapter 76 of NRS. No license to engage in any type of business may be granted unless the applicant for the license:

   (a) Signs an affidavit affirming that the business has complied with the provisions of chapter 76 of NRS. The county license board shall provide upon request an application for a business license pursuant to chapter 76 of NRS. As used in this subsection, "professional" means a person who:

       (a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060, or who is regulated pursuant to the Nevada Supreme Court Rules; and

       (b) Practices his or her profession for any type of compensation as an employee.

   (b) Provides to the county license board the entity number of the applicant assigned by the Secretary of State which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of chapter 76 of NRS.

6. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license:

   (a) Presents written evidence that:

       (1) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

       (2) Another regulatory agency of the State has issued or will issue a license required for this activity.

   (b) Provides to the county license board the entity number of the applicant assigned by the Secretary of State which the county may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of paragraph (a).
7. Any license tax levied for the purposes of NRS 244.3358 or 244A.597 to 244A.655, inclusive, constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:
   (a) By recording in the office of the county recorder, within 6 months after the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:
      (1) The amount of tax due and the appropriate year;
      (2) The name of the record owner of the property;
      (3) A description of the property sufficient for identification; and
      (4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and
   (b) By an action for foreclosure against the property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The board of county commissioners may delegate the authority to enforce liens from taxes levied for the purposes of NRS 244A.597 to 244A.655, inclusive, to the county fair and recreation board. If the authority is so delegated, the board of county commissioners shall revoke or suspend the license of a business upon certification by the county fair and recreation board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 244.3357, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the payment of such license taxes or as the result of any audit or examination of the books by any authorized employee of a county fair and recreation board of the county for any license tax levied for the purpose of NRS 244A.597 to 244A.655, inclusive, is confidential and must not be disclosed by any member, officer or employee of the county fair and recreation board or the county imposing the license tax unless the disclosure is authorized by the affirmative action of a majority of the members of the appropriate county fair and recreation board. Continuing disclosure may be so authorized under an agreement with the Department of Taxation or Secretary of State for the exchange of information concerning taxpayers.

Sec. 1.7. NRS 244.33505 is hereby amended to read as follows:

244.33505 1. In a county in which a license to engage in a business is required, the board of county commissioners shall not issue such a license unless the applicant for the license:

(a) Signs an affidavit affirming that the business:
   (1) Has received coverage by a private carrier as required pursuant to chapters 616A to 616D, inclusive, and chapter 617 of NRS;
   (2) Maintains a valid certificate of self-insurance pursuant to chapters 616A to 616D, inclusive, of NRS;
Sec. 1. (c) Is a member of an association of self-insured public or private employers; or

(d) Is not subject to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS; or

(b) If the applicant submits his or her application electronically, attests to his or her compliance with the provisions of paragraph (a).

2. In a county in which such a license is not required, the board of county commissioners shall require a business, when applying for a post office box, to submit to the board the affidavit or attestation required by subsection 1.

3. Each board of county commissioners shall submit to the Administrator of the Division of Industrial Relations of the Department of Business and Industry monthly a list of the names of those businesses which have submitted an affidavit or attestation required by subsections 1 and 2.

4. Upon receiving an affidavit or attestation required by this section, a board of county commissioners shall provide the owner of the business with a document setting forth the rights and responsibilities of employers and employees to promote safety in the workplace, in accordance with regulations adopted by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.376.

Sec. 2. Chapter 268 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The governing body of each incorporated city whose population is 150,000 or more and which is located in a county whose population is 700,000 or more, whether organized under general law or special charter, shall enter into an agreement in accordance with the provisions of NRS 277.080 to 277.180, inclusive, with the board of county commissioners of the county in which the city is located, with the governing body of every other city located within the county whose population is 150,000 or more and with the governing body of each city located within the county whose population is less than 150,000 who chooses to enter into such an agreement for the establishment of a business license to authorize a person who is licensed as a contractor pursuant to chapter 624 of NRS to engage in the business of contracting within the county and the city.

2. The agreement required pursuant to subsection 1 must set forth the purposes, powers, rights, obligations and responsibilities, financial and otherwise, of the county and each city that enters into the agreement.

3. Upon entering into the agreement required pursuant to subsection 1, the governing body of the city shall establish by ordinance a system for issuing such a business license that authorizes a person who is licensed as a contractor pursuant to chapter 624 of NRS to engage in the business of contracting within the county and cities that entered into the agreement pursuant to subsection 1 and in which the person intends to conduct business.

4. An ordinance adopted pursuant to the provisions of subsection 3 must include, without limitation:
(a) The requirements for obtaining the business license;
(b) The fees for the issuance and renewal of the business license; and
(c) Any other requirements necessary to establish the system for issuing the business license.

5. A person who is licensed as a contractor pursuant to chapter 624 of NRS is eligible to obtain from the city a business license that authorizes the person to engage in the business of contracting within the county and each city located in the county which enters into an agreement pursuant to subsection 1 and in which the person intends to conduct business if the person meets the requirements set forth in the ordinance to qualify for the license and:

(a) The person maintains only one place of business within the county and the place of business is located within the jurisdiction of the city;
(b) The person maintains more than one place of business within the county and each of those places of business is located within the jurisdiction of the city; or
(c) The person does not maintain any place of business within the county.

6. A person who obtains a business license described in this section is subject to all other licensing and permitting requirements of the State and any other counties and cities in which the person does business.

Sec. 3. NRS 268.095 is hereby amended to read as follows:

268.095 1. Except as otherwise provided in subsection 4 and section 2 of this act, the city council or other governing body of each incorporated city in this State, whether organized under general law or special charter, may:

(a) Except as otherwise provided in subsection 2 and NRS 268.0968 and 576.128, fix, impose and collect for revenues or for regulation, or both, a license tax on all character of lawful trades, callings, industries, occupations, professions and businesses conducted within its corporate limits.
(b) Assign the proceeds of any one or more of such license taxes to the county within which the city is situated for the purpose or purposes of making the proceeds available to the county:

(1) As a pledge as additional security for the payment of any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;
(2) For redeeming any general obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;
(3) For defraying the costs of collecting or otherwise administering any such license tax so assigned, of the county fair and recreation board and of officers, agents and employees hired thereby, and of incidentals incurred thereby;
(4) For operating and maintaining recreational facilities under the jurisdiction of the county fair and recreation board;
(5) For improving, extending and bettering recreational facilities authorized by NRS 244A.597 to 244A.655, inclusive; and
(6) For constructing, purchasing or otherwise acquiring such recreational facilities.

(c) Pledge the proceeds of any tax imposed on the revenues from the rental of transient lodging pursuant to this section for the payment of any general or special obligations issued by the city for a purpose authorized by the laws of this State.

(d) Use the proceeds of any tax imposed pursuant to this section on the revenues from the rental of transient lodging:

(1) To pay the principal, interest or any other indebtedness on any general or special obligations issued by the city pursuant to the laws of this State;

(2) For the expense of operating or maintaining, or both, any facilities of the city; and

(3) For any other purpose for which other money of the city may be used.

2. The city council or other governing body of an incorporated city shall not require that a person who is licensed as a contractor pursuant to chapter 624 of NRS obtain more than one license to engage in the business of contracting or pay more than one license tax related to engaging in the business of contracting, regardless of the number of classifications or subclassifications of licensing for which the person is licensed pursuant to chapter 624 of NRS.

3. The proceeds of any tax imposed pursuant to this section that are pledged for the repayment of general obligations may be treated as "pledged revenues" for the purposes of NRS 350.020.

4. The city council or other governing body of an incorporated city shall not require a person to obtain a license or pay a license tax on the sole basis that the person is a professional. As used in this subsection, "professional" means a person who:

(a) Holds a license, certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and

(b) Practices his or her profession for any type of compensation as an employee.

5. The city licensing agency shall provide upon request an application for a state business license pursuant to chapter 76 of NRS. No license to engage in any type of business may be granted unless the applicant for the license signs:

(a) An affidavit affirming that the business has complied with the provisions of chapter 76 of NRS; and

(b) A certificate, registration, permit or similar type of authorization issued by a regulatory body as defined in NRS 622.060 or who is regulated pursuant to the Nevada Supreme Court Rules; and
(b) Practices his or her profession for any type of compensation as an employee.

(b) Provides to the city licensing agency the entity number of the applicant assigned by the Secretary of State which the city may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of chapter 76 of NRS.

6. No license to engage in business as a seller of tangible personal property may be granted unless the applicant for the license presents:

(a) Presents written evidence that:

(1) The Department of Taxation has issued or will issue a permit for this activity, and this evidence clearly identifies the business by name; or

(2) Another regulatory agency of the State has issued or will issue a license required for this activity;

(b) Provides to the city licensing agency the entity number of the applicant assigned by the Secretary of State which the city may use to validate that the applicant is currently in good standing with the State and has complied with the provisions of paragraph (a).

7. Any license tax levied under the provisions of this section constitutes a lien upon the real and personal property of the business upon which the tax was levied until the tax is paid. The lien has the same priority as a lien for general taxes. The lien must be enforced:

(a) By recording in the office of the county recorder, within 6 months following the date on which the tax became delinquent or was otherwise determined to be due and owing, a notice of the tax lien containing the following:

(1) The amount of tax due and the appropriate year;

(2) The name of the record owner of the property;

(3) A description of the property sufficient for identification; and

(4) A verification by the oath of any member of the board of county commissioners or the county fair and recreation board; and

(b) By an action for foreclosure against such property in the same manner as an action for foreclosure of any other lien, commenced within 2 years after the date of recording of the notice of the tax lien, and accompanied by appropriate notice to other lienholders.

8. The city council or other governing body of each incorporated city may delegate the power and authority to enforce such liens to the county fair and recreation board. If the authority is so delegated, the governing body shall revoke or suspend the license of a business upon certification by the board that the license tax has become delinquent, and shall not reinstate the license until the tax is paid. Except as otherwise provided in NRS 239.0115 and 268.0966, all information concerning license taxes levied by an ordinance authorized by this section or other information concerning the business affairs or operation of any licensee obtained as a result of the
payment of those license taxes or as the result of any audit or examination of
the books of the city by any authorized employee of a county fair and
recreation board for any license tax levied for the purpose of NRS 244A.597
to 244A.655, inclusive, is confidential and must not be disclosed by any
member, official or employee of the county fair and recreation board or the
city imposing the license tax unless the disclosure is authorized by the
affirmative action of a majority of the members of the appropriate county fair
and recreation board. Continuing disclosure may be so authorized under an
agreement with the Department of Taxation or the Secretary of State for the
exchange of information concerning taxpayers.

Sec. 9. The powers conferred by this section are in addition and
supplemental to, and not in substitution for, and the limitations imposed by
this section do not affect the powers conferred by, any other law. No part of
this section repeals or affects any other law or any part thereof, it being
intended that this section provide a separate method of accomplishing its
objectives, and not an exclusive one.

Sec. 3.5. NRS 268.0955 is hereby amended to read as follows:
268.0955 1. In an incorporated city in which a license to engage in a
business is required, the city council or other governing body of the city shall
not issue such a license unless the applicant for the license [signs]:
(a) Signs an affidavit affirming that the business:
    (1) Has received coverage by a private carrier as required pursuant
to chapters 616A to 616D, inclusive, and chapter 617 of NRS;
    (2) Maintains a valid certificate of self-insurance pursuant to
chapters 616A to 616D, inclusive, of NRS;
    (3) Is a member of an association of self-insured public or private
employers; or
    (4) Is not subject to the provisions of chapters 616A to 616D,
inclusive, or chapter 617 of NRS, or
(b) If the applicant submits his or her application electronically, attests
to his or her compliance with the provisions of paragraph (a).
2. In an incorporated city in which such a license is not required, the city
council or other governing body of the city shall require a business, when
applying for a post office box, to submit to the governing body the affidavit
or attestation required by subsection 1.
3. Each city council or other governing body of an incorporated city shall
submit to the Administrator of the Division of Industrial Relations of the
Department of Business and Industry monthly a list of the names of those
businesses which have submitted an affidavit or attestation required by
subsections 1 and 2.
4. Upon receiving an affidavit or attestation required by this section, the
city council or other governing body of an incorporated city shall provide the
applicant with a document setting forth the rights and responsibilities of
employers and employees to promote safety in the workplace in accordance
with regulations adopted by the Division of Industrial Relations of the Department of Business and Industry pursuant to NRS 618.376.

Sec. 3. NRS 446.877 is hereby amended to read as follows:

446.877

1. Except as otherwise provided in subsection 2, no license under any license ordinance of a city, county or other licensing authority shall be issued for the operation of a food establishment to any person owning or operating such food establishment unless the permit required by this chapter has first been granted by the health authority.

2. A board of county commissioners or the city council or other governing body of an incorporated city, whether organized under general law or special charter, may issue a license to operate a food establishment to any person owning or operating the food establishment contingent upon the person's obtaining the permit required by this chapter from the health authority.

Sec. 4. (Deleted by amendment.)

Sec. 4.5. The governing body of a county whose population is 700,000 or more and each city whose population is 150,000 or more located in the county shall:

1. Enter into the agreements required pursuant to sections 1 and 2 of this act; and

2. Adopt the ordinances required pursuant to section 1 and 2 of this act, on or before 1 year after the effective date of this act.

Sec. 5. This act becomes effective upon passage and approval.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 110. Motion carried by a two-thirds majority.

Bill ordered enrolled.

Senate Bill No. 251.

The following Assembly amendment was read:

Amendment No. 805.

"SUMMARY—Creates the Nevada Sunset Subcommittee of the Legislative Commission to evaluate certain governmental programs and services. (BDR 18-745)"

"AN ACT relating to commissions; governmental administration; prohibiting the appointment of a person to a board, commission or similar body if the person is serving on another board, commission or similar body; creating the Nevada Sunset Subcommittee of the Legislative Commission; providing for its membership; requiring the Sunset Subcommittee to evaluate the necessity and efficacy of all governmental programs and services provided; review certain boards and commissions in this State to determine the need for the termination, consolidation, modification or continuation of those boards and commissions; and providing other matters properly relating thereto."
Section 3 of this bill creates the Nevada Sunset Commission and sets forth the details regarding the members of the Commission, who are appointed by seven different appointing authorities. Section 5 of this bill sets forth the duties of the Commission which include, without limitation, reviewing and evaluating all governmental programs and services in this State for necessity and efficacy and for duplication by other programs and services offered by the Federal Government, this State or local governments in this State. Section 4 of this bill requires the Commission to meet at least bimonthly and to annually report its findings and recommendations to the Governor and the Legislature. Section 6 of this bill authorizes the Commission, with limited exception, to apply for and receive gifts, grants, contributions or other money to carry out its duties.

Existing law sets forth various requirements for serving on boards, commissions and similar bodies, including residency requirements, the procedure for filling vacancies and the qualifications and length of terms for members. (NRS 232A.020) Section 1 of this bill prohibits the Governor from appointing a person to a board, commission or similar body if the person is a member of another board, commission or similar body.

Existing law establishes the Legislative Commission and provides for its powers and duties, which consist of, in part, investigating and inquiring into subjects upon which the Legislature may act by the enactment or amendment of statutes, governmental problems, important issues of public policy or questions of statewide interest. (NRS 218E.150, 218E.175) Existing law also provides for certain standing subcommittees of the Legislative Commission to carry out ongoing duties, such as the Audit Subcommittee and the Budget Subcommittee. (NRS 218E.240, 218E.255) Finally, existing law requires the Legislative Commission to conduct reviews of existing agencies to determine whether each agency should be terminated, consolidated with another agency or continued. (NRS 232B.010-232B.100)

Section 8 of this bill creates the Sunset Subcommittee of the Legislative Commission and sets forth its membership. Section 9 of this bill specifies the Sunset Subcommittee's primary duties, which are: (1) to conduct reviews of all boards and commissions in this State which are not provided for in the Nevada Constitution or established by an executive order of the Governor and determine whether each board or commission should be terminated, modified, consolidated with another agency or continued; (2) to make recommendations for improving the boards or commissions which are to be modified, consolidated or continued; and (3) to determine whether any tax exemptions, abatements or money set aside for a board or commission should be terminated, modified or continued. Section 9 also requires the Sunset
Subcommittee to assess each board or commission reviewed for the cost of conducting the review.

Section 10 of this bill requires each board and commission to submit certain information about itself and how it operates to the Sunset Subcommittee and authorizes the Sunset Subcommittee to direct the Legislative Counsel Bureau to assist the Sunset Subcommittee in investigating, reviewing and analyzing the information submitted. Section 11 of this bill requires the Sunset Subcommittee to hold public hearings to receive commentary on whether a board or commission should be terminated, modified, consolidated or continued. Section 12 of this bill requires the Sunset Subcommittee to make recommendations for direct legislative action to carry out its recommendations regarding the termination, modification, consolidation or continuation of a board or commission.

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

Section 1. NRS 232A.020 is hereby amended to read as follows:

232A.020 1. Except as otherwise provided in this section, a person appointed to a new term or to fill a vacancy on a board, commission or similar body by the Governor must have, in accordance with the provisions of NRS 281.050, actually, as opposed to constructively, resided, for the 6 months immediately preceding the date of the appointment:
(a) In this State; and
(b) If current residency in a particular county, district, ward, subdistrict or any other unit is prescribed by the provisions of law that govern the position, also in that county, district, ward, subdistrict or other unit.
2. After the Governor's initial appointments of members to boards, commissions or similar bodies, all such members shall hold office for terms of 3 years or until their successors have been appointed and have qualified.
3. A vacancy on a board, commission or similar body occurs when a member dies, resigns, becomes ineligible to hold office or is absent from the State for a period of 6 consecutive months.
4. Any vacancy must be filled by the Governor for the remainder of the unexpired term.
5. A member appointed to a board, commission or similar body as a representative of the general public must be a person who:
(a) Has an interest in and a knowledge of the subject matter which is regulated by the board, commission or similar body; and
(b) Does not have a pecuniary interest in any matter which is within the jurisdiction of the board, commission or similar body.
6. The Governor shall not appoint a person to a board, commission or similar body if the person is a member of any other board, commission or similar body.
7. The provisions of subsection 1 do not apply if:
(a) A requirement of law concerning another characteristic or status that a member must possess, including, without limitation, membership in another organization, would make it impossible to fulfill the provisions of subsection 1; or

(b) The membership of the particular board, commission or similar body includes residents of another state and the provisions of subsection 1 would conflict with a requirement that applies to all members of that body.

Section 1. Title 18, Chapter 232B of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 6, 8 to 12, inclusive, of this act.

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. 1. The Sunset Subcommittee of the Legislative Commission, consisting of nine members, is hereby created. The membership of the Sunset Subcommittee consists of:

(a) Three members of the Legislature appointed by the Majority Leader of the Senate, at least one of whom must be a member of the minority political party;

(b) Three members of the Legislature appointed by the Speaker of the Assembly, at least one of whom must be a member of the minority political party; and

(c) Three members of the general public appointed by the Chair of the Legislative Commission from among the names of nominees submitted by the Governor pursuant to subsection 2.

2. The Governor shall, at least 30 days before the beginning of the term of any member appointed pursuant to paragraph (c) of subsection 1, or within 30 days after such a position on the Sunset Subcommittee becomes vacant, submit to the Legislative Commission the names of at least three persons qualified for membership on the Sunset Subcommittee. The Chair of the Legislative Commission shall appoint a new member or fill the vacancy from the list, or request a new list. The Chair of the Legislative Commission may appoint any qualified person who is a resident of this State to a position described in paragraph (c) of subsection 1.

3. Each member of the Sunset Subcommittee serves at the pleasure of the appointing authority.

4. The members of the Sunset Subcommittee shall elect a Chair from one House of the Legislature and a Vice Chair from the other House. Each Chair and Vice Chair holds office for a term of 2 years commencing on July 1 of each odd-numbered year. If a vacancy occurs in the office of Chair or Vice Chair, the vacancy must be filled in the same manner as the original selection for the remainder of the unexpired term.
5. The membership of any member of the Sunset Subcommittee who is a Legislator and who is not a candidate for reelection or who is defeated for reelection terminates on the day next after the general election.

6. A vacancy on the Sunset Subcommittee must be filled in the same manner as the original appointment.

7. The Sunset Subcommittee shall meet at the times and places specified by a call of the Chair. Five members of the Sunset Subcommittee constitute a quorum, and a quorum may exercise any power or authority conferred on the Sunset Subcommittee.

8. For each day or portion of a day during which a member of the Sunset Subcommittee who is a Legislator attends a meeting of the Sunset Subcommittee or is otherwise engaged in the business of the Sunset Subcommittee, except during a regular or special session of the Legislature, the Legislator is entitled to receive the:
   (a) Compensation provided for a majority of the members of the Legislature during the first 60 days of the preceding regular session;
   (b) Per diem allowance provided for state officers generally; and
   (c) Travel expenses provided pursuant to NRS 218A.655.
   The compensation, per diem allowances and travel expenses of the members of the Sunset Subcommittee who are Legislators must be paid from the Legislative Fund.

9. While engaged in the business of the Sunset Subcommittee, the members of the Subcommittee who are not Legislators are entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 9. 1. The Sunset Subcommittee of the Legislative Commission shall conduct a review of each board and commission in this State which is not provided for in the Nevada Constitution or established by an executive order of the Governor to determine whether the board or commission should be terminated, modified, consolidated with another board or commission or continued. Such a review must include, without limitation:
   (a) An evaluation of the major policies and programs of the board or commission, including, without limitation, an examination of other programs or services offered in this State to determine if any other provided programs or services duplicate those offered by the board or commission;
   (b) Any recommendations for improvements in the policies and programs offered by the board or commission; and
   (c) A determination of whether any statutory tax exemptions, abatements or money set aside to be provided to the board or commission should be terminated, modified or continued.

2. The Sunset Subcommittee shall review:
   (a) Not less than 20 boards and commissions specified in subsection 1 each year; and
(b) Each of those boards and commissions not less than once every 10 years.

3. For each review of a board or commission that the Sunset Subcommittee conducts, the Sunset Subcommittee shall submit a written assessment to the board or commission setting forth the costs of the review. In determining the amount of an assessment pursuant to this subsection, the Sunset Subcommittee shall consider, based upon the information provided by the board or commission pursuant to section 10 of this act, whether any additional analysis or evaluation is required to review the board or commission because of the specialized nature of the board or commission. As soon as practicable after a board or commission receives a written assessment pursuant to this subsection, the board or commission shall pay the amount set forth in the written assessment to the Sunset Subcommittee.

4. Any action taken by the Sunset Subcommittee concerning a board or commission pursuant to sections 8 to 12, inclusive, of this act is in addition or supplemental to any action taken by the Legislative Commission pursuant to NRS 232B.010 to 232B.100, inclusive.

Sec. 10. 1. Each board and commission subject to review by the Sunset Subcommittee of the Legislative Commission shall submit information to the Sunset Subcommittee on a form prescribed by the Sunset Subcommittee. The information must include, without limitation:

(a) The name of the board or commission;
(b) The name of each member of the board or commission;
(c) The address of the Internet website established and maintained by the board or commission, if any;
(d) The name and contact information of the executive director of the board or commission, if any;
(e) A list of the members of the staff of the board or commission;
(f) The authority by which the board or commission was created;
(g) The governing structure of the board or commission, including, without limitation, information concerning the method, terms, qualifications and conditions of appointment and removal of the members of the board or commission;
(h) The duties of the board or commission;
(i) The operating budget of the board or commission;
(j) A statement setting forth the income and expenses of the board or commission for at least 3 years immediately preceding the date on which the board or commission submits the form required by this subsection, including the balances of any fund or account maintained by or on behalf of the board or commission;
(k) The most recent audit conducted of the board or commission, if any;
(l) The dates of the immediately preceding six meetings held by the board or commission;
(m) A statement of the objectives and programs of the board or commission;
(n) A conclusion concerning the effectiveness of the objectives and programs of the board or commission;
(o) Any recommendations for statutory changes which are necessary for the board or commission to carry out its objectives and programs; and
(p) Such other information as the Sunset Subcommittee may require.

2. The Sunset Subcommittee may direct the Legislative Counsel Bureau to assist in its research, investigations, review and analysis of the information submitted by each board and commission pursuant to subsection 1.

Sec. 11. 1. The Sunset Subcommittee of the Legislative Commission shall conduct public hearings for the purpose of obtaining comments on, and may require the Legislative Counsel Bureau to submit reports on, the need for the termination, modification, consolidation or continued operation of a board or commission.

2. The Sunset Subcommittee shall consider any report submitted to it by the Legislative Counsel Bureau.

3. A board or commission has the burden of proving that there is a public need for its continued existence.

Sec. 12. 1. If the Sunset Subcommittee of the Legislative Commission determines to recommend the termination of a board or commission, its recommendation must include suggestions for appropriate direct legislative action, if any, which is made necessary or desirable by the termination of the board or commission.

2. If the Sunset Subcommittee determines to recommend the consolidation, modification or continuation of a board or commission, its recommendation must include suggestions for appropriate direct legislative action, if any, which would make the operation of the board or commission or its successor more efficient or effective.

3. On or before June 30, 2012, the Sunset Subcommittee shall make all its initial recommendations pursuant to this section, if any. The Sunset Subcommittee shall make all subsequent recommendations pursuant to this section, if any, on or before June 30 of each even-numbered year occurring thereafter.

Sec. 13. NRS 232B.010 is hereby amended to read as follows:

232B.010 As used in [this chapter] NRS 232B.010 to 232B.100, inclusive, unless the context otherwise requires, “agency” means any public agency which the Legislature has designated to be the subject of a review by the Legislative Commission.

Sec. 14. NRS 232B.080 is hereby amended to read as follows:

232B.080 1. The Legislative Commission shall conduct public hearings for the purpose of obtaining comments on, and may require the Legislative Counsel Bureau to submit reports on, the need for the continued operation of an agency, and its efficiency and effectiveness.
2. At any hearing held under this chapter, pursuant to NRS 232B.010 to 232B.100, inclusive, information may be presented by:
   (a) Members of the general public;
   (b) Any person who is regulated by the agency; and
   (c) Representatives of the agency.

3. The Legislative Commission shall consider any report submitted to it by the Legislative Counsel Bureau.

4. An agency has the burden of proving that there is a public need for its continued existence or regulatory function.

Sec. 15. 1. On or before August 1, 2011, the Governor shall submit to the Legislative Commission the names of at least three nominees who are qualified for membership on the Sunset Subcommittee of the Legislative Commission pursuant to subsection 2 of section 8 of this act.

2. On or before September 1, 2011:
   (a) The Majority Leader of the Senate shall appoint three members of the Sunset Subcommittee pursuant to paragraph (a) of subsection 1 of section 8 of this act.
   (b) The Speaker of the Assembly shall appoint three members of the Sunset Subcommittee pursuant to paragraph (b) of subsection 1 of section 8 of this act.
   (c) The Chair of the Legislative Commission shall appoint three members of the general public from among the names of the nominees submitted by the Governor pursuant to subsection 1.

Sec. 15.5. 1. If on the effective date of this act any person is currently serving as a member of more than one board, commission or similar body pursuant to an appointment by the Governor, the person shall, on or before December 31, 2011, resign from all but one such board, commission or similar body.

2. A vacancy created by such a resignation must be filled in the manner prescribed by the relevant statute or by NRS 232A.020, if no relevant statute applies, to fill a vacancy on the board, commission or similar body.

Sec. 16. 1. This section and section 15.5 of this act become effective upon passage and approval.

2. Sections 1, 1.5 and 8 to 15, inclusive, of this act become effective on July 1, 2011.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 251.
Motion carried by a constitutional majority.
Bill ordered enrolled.

Senate Bill No. 262.
The following Assembly amendment was read:
Amendment No. 844,
"SUMMARY—Provides for the incorporation of the City of Laughlin contingent upon certain conditions. (BDR S-125)"

"AN ACT providing a charter for the City of Laughlin, in Clark County, Nevada; providing for an election to be held on the question of incorporation; making the incorporation of the City contingent upon a determination by the Board of County Commissioners of Clark County or the Legislative Commission and approval of this act by qualified electors of the City; providing penalties; and providing other matters properly relating thereto."

**Legislative Counsel's Digest:**
Under existing law, the Legislature may provide for the incorporation of a city by a special act. (Nev. Const. Art. 8, § 8) **Section 1** of this bill provides a charter for the City of Laughlin. **Section 4** of this bill requires the Committee on Local Government Finance to prepare a report with respect to the fiscal feasibility of the incorporation of the City of Laughlin and submit it to the Board of County Commissioners of Clark County and the Legislative Commission by December 31, 2011. **Sections 4, 5 and 17** of this bill make the incorporation of the City of Laughlin contingent upon whether the Board of County Commissioners of Clark County or the Legislative Commission determines that the incorporation is fiscally feasible and, if so, upon the approval of the Charter by the qualified electors of the City. **Sections 5-9** of this bill provide, under such circumstances, for the Board of County Commissioners of Clark County to conduct an election on the question of incorporation and a consolidated primary election for candidates for City Council and Mayor. **Sections 11 and 12** of this bill provide for a general election of members of the City Council and a Mayor, contingent upon the approval of incorporation. **Section 10** of this bill authorizes the Board of County Commissioners to accept gifts, grants and donations to pay for any expenses associated with incorporation, including, without limitation, the costs of the Committee on Local Government Finance for preparing the fiscal feasibility report and for an election held on the question of incorporation and a general election of the Mayor and City Council. **Sections 2 and 10** of this bill provide that to the extent that gifts, grants and donations do not cover such expenses, the Board of County Commissioners shall use the Fort Mohave Valley Development Fund to pay the costs.

**Sections 13-15** of this bill authorize the elected City Council to perform various functions before the effective date of incorporation, including preparing and adopting a budget, preparing and adopting ordinances, negotiating and preparing contracts for personnel and various services, negotiating with Clark County for the equitable apportionment of the fixed assets of Clark County that are located in the City of Laughlin and negotiating and preparing certain cooperative agreements with the County. **Section 17** provides for the effective date of incorporation, which will be July 1, 2013, if approved by the voters.
THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The Charter of the City of Laughlin is as follows. Each
section of the Charter shall be deemed to be a section of this act for the
purpose of any subsequent amendment.

ARTICLE I
INCORPORATION OF CITY; GENERAL POWERS; BOUNDARIES; ANNEXATIONS;
CITY OFFICES

Section 1.010 Preamble: Legislative intent; powers.
1. In order to provide for the orderly government of the City of
Laughlin and the general welfare of its residents, the Legislature hereby
establishes this Charter for the government of the City of Laughlin. It is
expressly declared as the intent of the Legislature that all provisions of this
Charter be liberally construed to carry out the express purposes of the
Charter and that the specific mention of particular powers shall not be
construed as limiting in any way the general powers necessary to carry out
the purposes of the Charter.

2. Any powers expressly granted by this Charter are in addition to any
powers granted to a city by the general law of this State. All provisions of
the Nevada Revised Statutes which are applicable generally to cities, unless
otherwise expressly mentioned in this Charter or chapter 265, 266 or 267 of
NRS, and which are not in conflict with the provisions of this Charter
apply to the City of Laughlin.

Sec. 1.020 Incorporation of City.
1. All persons who are inhabitants of that portion of the State of
Nevada embraced within the limits set forth in section 1.030 shall
constitute a political and corporate body by the name of "City of
Laughlin," and by that name they and their successors shall be known in
law, have perpetual succession and may sue and be sued in all courts.

2. Whenever used throughout this Charter, "City" means the City of
Laughlin.

Sec. 1.030 Description of territory. The territory embraced in the
City is hereby defined and established as follows:
1. All those portions of Township 32 South, Range 64 East;
Township 32 South, Range 65 East; Township 32 South, Range 66 East;
Township 33 South, Range 65 East; Township 33 South, Range 66 East;
Township 34 South, Range 66 East, M.D.B. & M., which are located in the
County of Clark, State of Nevada.

2. Excepting therefrom the following described land:
(a) That land referred to as the Fort Mojave Indian Reservation,
approximately 3,842 acres of land, being a portion of Sections 17, 19,
20 thru 22, 27 thru 28, 30 thru 33 and all of Section 29 of
Township 33 South, Range 66 East, Clark County, Nevada, and a portion
of Section 5 of Township 34 South, Range 66 East, Clark County, Nevada.
(b) Further excepting therefrom Township 34 South, Range 66 East, M.D.B. & M., Clark County, Nevada.

(c) Further excepting therefrom the following described Parcels of land referred to as the "Hotel Corridor":

1. Parcel 1. The South Half (S 1/2) of the South Half of Section 12 of Township 32 South, Range 66 East, M.D.M., Clark County, Nevada, excepting therefrom State Route 163 recorded in Book 920722 as Instrument 00564, Official Records of Clark County, Nevada, together with Parcel 1 of File 70 of Parcel Maps at Page 20, Official Records of Clark County Nevada, also together with Civic Way recorded in Book 910906 as Instrument Number 00680, Official Records of Clark County, Nevada, lying within the South Half (S 1/2) of the South Half (S 1/2) of said Section 12.

2. Parcel 2. Section 13, Township 32 South, Range 66 East, M.D.M., Clark County, Nevada, excepting therefrom that remaining portion of Parcel 1 of File 53 of Parcel Maps at Page 53, Official Records of Clark County, Nevada, lying within the Southwest Quarter (SW 1/4) of said Section 13, more particularly described as beginning at the Northeast corner of said Parcel 1, said point being on the Southerly right-of-way line of Bruce Woodbury Drive (90.00 feet wide); thence departing said Southerly right-of-way line and along the Easterly line of said Parcel 1, South 01°08′21″ West, 100.00 feet to the Northerly line of Parcel 4 as shown by map thereof recorded in File 98 of Parcel Maps at Page 17, Official Records of Clark County, Nevada; thence along said Northerly line of Parcel 4 the following 2 courses: North 89°59′51″ West, 75.00 feet; North 01°08′21″ East, 100.00 feet to said Southerly right-of-way and said Northerly line of Parcel 1; thence along said Southerly right-of-way line and along said Northerly line of Parcel 1, South 89°59′51″ East, 75.00 feet to the Point of Beginning.

3. Parcel 3. Section 24 of Township 32 South, Range 66 East, M.D.M., Clark County, Nevada excepting therefrom Government Lots 7 & 8 of said Section 24, together with Lots 1 & 2 of File 54 of Parcel Maps at Page 79, Official Records of Clark County, Nevada, lying within the Southwest Quarter (SW 1/4) of said Section 24.

Sec. 1.040 Limitation on future annexation. Notwithstanding any provision of law to the contrary, no area may be annexed into the boundaries of the City unless a majority of the owners of the real property that make up the area petition the City Council for annexation into the City.

Sec. 1.050 Form of government.
1. The municipal government provided by this Charter shall be known as the "council-manager government." Pursuant to its provisions and subject only to the limitations imposed by the Constitution of this State and by this Charter, all powers of the City shall be vested in an elective council, hereinafter referred to as "the Council," which shall:
(a) Enact local legislation;
(b) Adopt budgets;
(c) Determine policies; and
(d) Appoint the City Manager, who shall execute the laws and administer the government of the City.

2. All powers of the City shall be exercised in the manner prescribed by this Charter, or if the manner is not prescribed, then in such manner as may be prescribed by ordinance.

Sec. 1.060 Construction of Charter. This Charter, except where the context by clear implication otherwise requires, must be construed as follows:

1. The titles or leadlines which are applied to the articles and sections of this Charter are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provision of this Charter.
2. The singular number includes the plural number, and the plural includes the singular.
3. The present tense includes the future tense.

ARTICLE II
CITY COUNCIL

Sec. 2.010 Number; selection and term; recall. The Council shall have four Council members and a Mayor elected from the City at large in the manner provided in Article X, for terms of 4 years and until their successors have been elected and have taken office as provided in section 2.100, subject to recall as provided in Article XI. No Council member shall represent any particular constituency or district of the City, and each Council member shall represent the entire City.

Sec. 2.020 Qualifications.
1. No person shall be eligible for the office of Council member or Mayor unless he or she is a qualified elector of the City and has been a resident of the City for at least 1 year immediately before the election in which he or she is a candidate. He or she shall hold no other elective public office, but may hold a commission as a notary public or be a member of the Armed Forces reserve. No employee of the City or officer thereof, excluding Council members, receiving compensation under the provisions of this Charter or any City ordinance, shall be a candidate for or eligible for the office of Council member or Mayor without first resigning from city employment or city office.

2. If a Council member or the Mayor ceases to possess any of the qualifications enumerated in subsection 1 or is convicted of a felony, or ceases to be resident of the City, his or her office shall immediately become vacant.

Sec. 2.030 Salaries.
1. For the first 2 years after election of the first members of the Council after adoption of this Charter, each member of the Council shall
receive as compensation for his or her services as such a monthly salary of $125.00, and the member elected to fill the Office of Mayor shall receive the additional amount of $25.00 for each month said member shall fill the Office of Mayor.

2. After the period specified in subsection 1 and upon recommendation from the Charter Committee established pursuant to section 9.100 of Article IX, the Council may determine the annual salaries of the Mayor and Council members by ordinance. The 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.

3. Absence of a member of the Council from all regular and special meetings of the Council during any calendar month shall render him or her ineligible to receive the monthly salary for such a calendar month unless by permission of the Council expressed in its official minutes.

4. The Mayor and Council members shall be reimbursed for their personal expenses when conducting or traveling on city business as authorized by the Council. Reimbursement for use of their personal automobiles will be at the rate per mile established by the rules of the Internal Revenue Service of the United States.

5. The Mayor and Council members shall receive no additional compensation or benefit other than that mandated by state or federal law.

Sec. 2.040 Mayor; Mayor Pro Tem; duties.
1. The Mayor shall:
   (a) Serve as a member of the Council and preside over its meetings;
   (b) Have no administrative duties; and
   (c) Be recognized as the head of the city government for all ceremonial purposes and for the purposes of dealing with emergencies if martial law has been imposed on the City by the State or Federal Government.

2. The Council shall elect one of its members to be Mayor Pro Tem, who shall:
   (a) Hold such office and title, without additional compensation, for the period of 1 year;
   (b) Perform the duties of the Mayor during the absence or disability of the Mayor; and
   (c) Assume the position of Mayor, if that office becomes vacant, until the next regular election.

Sec. 2.050 Powers. Except as otherwise provided in this Charter, all powers of the City and the determination of all matters of policy shall be vested in the Council. The Council shall have, without limitation, the power to:
1. Establish other administrative departments and distribute the work of divisions.
2. Adopt the budget of the City.
3. Adopt civil service rules and regulations.
4. Inquire into the conduct of any office, department or agency of the City and make investigations as to municipal affairs.

5. Appoint the members of all boards, commissions and committees for specific or indefinite terms as provided elsewhere in this Charter or in various resolutions or ordinances, with all such persons serving at the pleasure of the Council, provided, however, that all persons so appointed must be and remain bona fide residents of the City during the tenure of each appointment.

6. Levy such taxes as are authorized by applicable laws.

Sec. 2.060 Powers: Zoning and Planning. The Council may:

1. Divide the City into districts and regulate and restrict the erection, construction, reconstruction, alteration, repair or use of buildings, structures or land within the districts.

2. Establish and adopt ordinances and regulations relating to the subdivision of land.

Sec. 2.070 Council not to interfere in removals.

1. Neither the Council nor any of its members shall direct or request the removal of any person from office by the City Manager or by any of his or her subordinates, or in any manner take part in the removal of officers and employees in the administrative service of the City. Except for the purpose of inquiry and as otherwise provided in this Charter, the Council and its members shall deal with the administrative service solely through the City Manager and neither the Council nor any member thereof shall give orders to any subordinates of the City Manager, either publicly or privately.

2. Any Council member violating the provisions of this section, or voting for a resolution or ordinance in violation of this section, is guilty of a misdemeanor and upon conviction thereof shall cease to be a Council member.

Sec. 2.080 Vacancies in Council. Except as otherwise provided in NRS 268.325, a vacancy on the Council must be filled by appointment by a majority of the remaining members of the Council within 30 days or after three regular or special meetings, whichever is the shorter period of time. In the event of a tie vote among the remaining members of the Council, selection must be made by lot. No such appointment extends beyond the next municipal election.

Sec. 2.090 Creation of new departments or offices; change of duties. The Council by ordinance may:

1. Create, change and abolish offices, departments or agencies, other than offices, departments and agencies established by this Charter.

2. Assign additional functions or duties to offices, departments or agencies established by this Charter, but may not discontinue or assign to any other office, department or agency any function or duty assigned by this Charter to a particular office, department or agency.

Sec. 2.100 Induction of Council into office; meetings of Council.
1. The Council shall meet within 10 days after each primary municipal election and each general municipal election specified in Article X, to canvass the returns and to declare the results. All newly elected or reelected Mayor or Council members shall be inducted into office at the next regular Council meeting following certification of the applicable general municipal election results. Immediately following such induction, the Mayor Pro Tem shall be designated as provided in section 2.040. Thereafter, the Council shall meet regularly at such times as it shall set by resolution from time to time, but not less frequently than once each month.

2. Special meetings may be held on a call of the Mayor or by a majority of the Council. Reasonable effort must be made to give notice of the special meeting to each Council member, the Mayor, City Clerk, City Attorney and City Manager. Only that business which was stated in the call of the special meeting may be discussed.

3. Except as otherwise provided in NRS 241.0355, a majority of all Council members constitutes a quorum to do business, but a lesser number may meet and recess from time to time, and compel the attendance of the absent Council members.

4. No meeting of the Council may be held for the purpose of conducting or discussing City business except as provided in this section.

Sec. 2.110 Council to be judge of qualifications of its members. The Council shall be the judge of the election and qualifications of its members and for such purpose shall have the power to subpoena witnesses and require the production of records, but the decision of the Council in any such case shall be subject to review by the courts.

Sec. 2.120 Rules of procedure.

1. The Council shall establish rules by ordinance for the conduct of its proceedings and to preserve order at its meetings. It shall, through the City Clerk, maintain a journal record of its proceedings which shall be open to public inspection. Any member of the Council may place items on the Council agenda to be considered by the Council.

2. The Council may organize special committees of its members for the principal functions of the government of the City. It shall be the duty of each such committee to be informed of the business of the city government included within the assigned functions of the committee, and, as ordered by the Council, to report to the Council information or recommendations which shall enable the Council properly to legislate.

Sec. 2.130 Investigations by Council.

1. The Council shall have power to inquire into the conduct of any office, department, agency or officer of the City and to make investigations as to municipal affairs. The Council shall have the power and authority on any investigation or proceeding pending before it to impel the attendance of witnesses, to examine them under oath and to compel the production of evidence before it. Each member of the Council shall have the power to
administer oaths and affirmations in any investigation or proceeding pending before the Council.

2. Subpoenas may be issued in the name of the City pursuant to subsection 1 and may be attested by the City Clerk. Disobedience of such subpoenas or the refusal to testify upon other than constitutional grounds shall constitute a misdemeanor, and shall be punishable in the same manner as violations of this Charter are punishable.

Sec. 2.130 Council's power to make and pass ordinances, resolutions.

1. The Council shall have the power to make and pass all ordinances, resolutions and orders, not repugnant to the Constitution of the United States or of the State of Nevada or to the provisions of this Charter, necessary for the municipal government and the management of the city affairs, for the execution of all powers vested in the City, and for making effective the provisions of this Charter.

2. The Council shall have the power to enforce obedience to its ordinances by such fines, imprisonments or other penalties as the Council may deem proper, but the punishment for any offense shall not be greater than the penalties specified for misdemeanors under applicable provisions of Nevada Revised Statutes in effect at the time such offense occurred.

3. The Council may enact and enforce such local police ordinances as are not in conflict with the general laws of the State of Nevada.

4. Any offense made a misdemeanor by the laws of the State of Nevada shall also be deemed to be a misdemeanor in the City of Laughlin whenever such offense is committed within the city limits.

Sec. 2.140 Voting on ordinances and resolutions.

1. No ordinance or resolution shall be passed without receiving the affirmative votes of at least three members of the Council.

2. The ayes and noes shall be taken upon the passage of all ordinances and resolutions and entered upon the journal of the proceedings of the Council. Upon the request of any member of the Council, the ayes and noes shall be taken and recorded upon any vote. All members of the Council present at any meeting shall vote, except:

(a) Upon matters in which they have financial interest;

(b) When they are reviewing an appeal from a decision of a city commission, before which they have appeared as an advocate for or an adversary against the decision being appealed; or

(c) When they are required to abstain from voting pursuant to the provisions of NRS 281A.420.

Sec. 2.150 Enactment of ordinances; subject matter, titles.

1. No ordinance shall be passed except by bill, and when any ordinance is amended, the section or sections thereof must be reenacted as amended, and no ordinance shall be revised or amended by reference only to its title.

2. Every ordinance, except those revising the city ordinances, shall embrace but one subject and matters necessarily connected therewith and
pertaining thereto, and the subject shall be clearly indicated in the title, and in all cases where the subject of the ordinance is not so expressed in the title, the ordinance shall be void as to the matter not expressed in the title.

Sec. 2.170 Introduction of ordinances; notice; final action; publication.

1. The style of ordinances must be as follows: "The Council of the City of Laughlin does ordain." All proposed ordinances, when first proposed, must be read by title to the Council, after which an adequate number of copies of the ordinance must be deposited with the City Clerk for public examination and distribution upon request. Notice of the deposit of the copies, together with an adequate summary of the ordinance, must be published once in a newspaper published in the City, if any, otherwise in some newspaper published in the County which has a general circulation in the City, at least 10 days before the adoption of the ordinance. At any meeting at which final action on the ordinance is considered, at least one copy of the ordinance must be available for public examination. The Council shall adopt or reject the ordinance, or the ordinance as amended, within 30 days after the date of publication, except that in cases of emergency, by unanimous consent of the whole Council, final action may be taken immediately or at a special meeting called for that purpose.

2. After final adoption, the ordinance must be signed by the Mayor, and, together with the votes cast on it, must be:
   (a) Published by title, together with an adequate summary including any amendments, once in a newspaper published in the City, if any, otherwise in a newspaper published in the County and having a general circulation in the City; and
   (b) Posted in full in the city hall.

3. Except as otherwise provided in subsections 4 and 5, all ordinances become effective 20 days after publication.

4. Emergency ordinances having for their purpose the immediate preservation of the public peace, health or safety, containing a declaration of and the facts constituting its urgency and passed by a four-fifths vote of the Council, and ordinances calling or otherwise relating to a municipal election, become effective on the date specified therein.

5. All ordinances having for their purpose the lease or sale of real estate owned by the City, except city-owned subdivision or cemetery lots, may be effective not fewer than 5 days after the publication.

Sec. 2.180 Adoption of specialized, uniform codes. An ordinance adopting any specialized or uniform building, plumbing or electrical code or codes, printed in book or pamphlet form or any other specialized or uniform code or codes of any nature whatsoever so printed, may adopt such code, or any portion thereof, with such changes as may be necessary to make the same applicable to conditions in the City, and with such other changes as may be desirable, by reference thereto, without the
necessity of reading the same at length. Such code, upon adoption, need not be published if an adequate number of copies of such code, either typewritten or printed, with such changes, if any, have been filed for use and examination by the public in the Office of the City Clerk at least 1 week before the passage of the ordinance adopting the code, or any amendment thereto. Notice of such filing shall be given in accordance with the provisions of subsection 2 of section 2.170.

Sec. 2.180 Codification of ordinances; publication of Code.
1. The Council shall have the power to codify and publish a code of its municipal ordinances in the form of a Municipal Code, which Code may, at the election of the Council, have incorporated therein a copy of this Charter and such additional data as the Council may prescribe.
2. The ordinances in the Code shall be arranged in appropriate chapters, articles and sections, excluding the titles, enacting clauses, attestations and other formal parts.
3. The codification shall be adopted by an ordinance which shall not contain any substantive changes, modifications or alterations of existing ordinances, and the only title necessary for the ordinance shall be "An ordinance for codifying and compiling the general ordinances of the City of Laughlin."
4. The codification may, by ordinance regularly passed, adopted and published, be amended or extended.

Sec. 2.190 Independent annual audit. Before the end of each fiscal year, the Council shall designate qualified accountants who, as of the end of the fiscal year, shall make a complete and independent audit of accounts and other evidences of financial transactions of the city government and shall submit their report to the Council and to the City Manager. Such accountants shall have no personal interest, direct or indirect, in the fiscal affairs of the city government or of any of its officers. They shall not maintain any accounts or records of the city business, but, within specifications approved by the Council, shall postaudit the books and documents kept by the Department of Finance and any separate or subordinate accounts kept by any other office, department or agency of the city government.

ARTICLE III
CITY MANAGER

Sec. 3.010 Appointment and qualifications.
1. The Council shall appoint a City Manager by a majority vote who by virtue of his or her position as City Manager shall be an officer of the City and who shall have the powers and shall perform the duties in this Charter provided. No member of the Council shall receive such appointment during the term for which he or she shall have been elected, nor within 1 year after the expiration of his or her term.
2. The City Manager shall be chosen on the basis of his or her executive and administrative qualifications. The City Manager shall be
paid a salary commensurate with his or her responsibilities as Chief Administrative Officer of the City as set by resolution of the Council.

3. The Council shall appoint the City Manager for an indefinite term and may remove him or her in accordance with the procedures set forth in section 3.020.

Sec. 3.020 Removal.

1. Before removal of the City Manager may become effective, the Council must adopt, by the affirmative votes of at least four members, a resolution that must state the reasons for the proposed removal of the City Manager and may provide for the suspension of the City Manager from duty, but shall in any case cause to be paid him or her forthwith any unpaid balance of his or her salary and his or her salary for the next calendar month following the date of adoption of the resolution. A copy of the resolution must be delivered promptly to the City Manager.

2. The City Manager may reply in writing, and any member of the Council may request a public hearing, which, if requested, shall be held not earlier than 20 days or later than 30 days after the filing of such request. After such public hearing, if one be requested, and after full consideration, the Council may remove the City Manager by motion adopted by the affirmative votes of at least four members of the Council.

Sec. 3.030 Powers and duties. The City Manager shall be the Chief Administrative Officer and the Head of the Administrative Branch of the city government. The City Manager shall be responsible to and under the direction of the Council for the proper administration of all affairs of the City. Without limiting the foregoing general grant of powers, responsibilities, and duties, the City Manager shall have the power and be required to:

1. Subject to the civil service rules and regulations adopted by the Council, and with the approval of the Council, appoint all department heads and officers of the City except those officers the power of appointment of whom is vested in the Council and as otherwise provided in this Charter;

2. Subject to the civil service rules and regulations adopted by the Council and ordinances adopted pursuant thereto, pass upon and approve all proposed appointments and removals of subordinate employees, by all officers and heads of offices, agencies and departments;

3. Prepare the budget annually and submit it to the Council and be responsible for its administration after adoption;

4. Prepare and submit to the Council at the end of the fiscal year a complete report of the finances and administrative activities of the City for the preceding fiscal year;

5. Keep the Council advised of the financial condition and future needs of the City and make such recommendations as may seem to him or her desirable;
6. Keep himself or herself informed of the activities of the several agencies, offices and departments of the City and see to the proper administration of their affairs and the efficient conduct of their business;

7. Be vigilant and active in causing all provisions of the law to be executed and enforced;

8. Perform all such duties as may be prescribed by this Charter or required of him or her by the Council, not inconsistent with this Charter;

9. Submit a monthly report to the Council covering significant activities of the city agencies, offices and departments under his or her supervision and any significant changes in administrative rules and procedures promulgated by him or her; and

10. Submit special reports in writing to the Council in answer to any requests for information filed with the City Manager by a member of the Council.

Sec. 3.040 Seat at Council table. The City Manager shall be accorded a seat at the Council table and shall be entitled to participate in the deliberations of the Council, but shall not have a vote. The City Manager shall attend all regular and special meetings of the Council unless physically unable to do so or unless his or her absence has received prior approval by a majority of the Council.

Sec. 3.050 Absence, disability. To perform his or her duties during his or her temporary absence or disability, the City Manager may designate by letter filed with the City Clerk one of the other officers or department heads of the City to serve as acting City Manager during such temporary absence or disability. Such designation shall be subject to change thereof by the Council. In the event of the failure of the City Manager to make such a designation, the Council may by resolution appoint an officer or department head of the City to perform the duties of the City Manager until he or she shall be prepared to resume the duties of office.

ARTICLE IV
OFFICERS AND EMPLOYEES

Sec. 4.010 City administrative organization.

1. The Council may provide by ordinance not inconsistent with this Charter for the organization, conduct and operation of the several offices, departments and other agencies of the City as established by this Charter, for the creation of additional departments, divisions, offices and agencies and for their alteration or abolition, for their assignment and reassignment to departments, and for the number, titles, qualifications, powers, duties and compensation of all officers and employees.

2. The Council by ordinance may assign additional functions or duties to offices, departments or other agencies established by this Charter, but, except as otherwise provided in subsection 3, shall not discontinue or assign to any other office, department or other agency any function or duty assigned by this Charter to a particular office, department or agency. No office provided in this Charter, to be filled by appointment by the City
Manager, shall be combined with an office provided in this Charter to be filled by appointment by the Council.

3. Notwithstanding the foregoing, the Council may transfer or consolidate functions of the city government to or with appropriate functions of the state or county government and, in case of any such transfer or consolidation, the provisions of this Charter providing for the functions of the city government so transferred or consolidated, shall be deemed suspended during the continuance of such transfer or consolidation, to the extent that such suspension is made necessary or convenient and is set forth in the ordinance establishing such transfer or consolidation. Any such transfer or consolidation may be repealed by ordinance.

4. Subject to the civil service rules and regulations adopted by the Council and section 3.020 of Article III, all officers and department heads of the City, except the City Attorney, Municipal Judge and the City Clerk, shall be appointed by the City Manager and shall thereafter serve at the pleasure of the City Manager.

5. Officers of the City appointed by the Council shall be required to reside within the city limits within 3 months of appointment. Employees of the City shall be required to live within a 50-mile radius of the City within 6 months of employment.

Sec. 4.020 Officers appointed by the Council.

1. In addition to the City Manager, the Council shall appoint the City Attorney and the Municipal Judge, if required pursuant to section 5.020 of Article V, who shall serve at the pleasure of the Council and may be removed by motion of the Council adopted by the affirmative votes of at least four members of the Council.

2. Subject to the provisions of this Charter and rules and regulations adopted by the Council, the Council shall appoint the City Clerk who shall serve at the pleasure of the Council and may be removed by motion of the Council adopted by the affirmative votes of three members of the Council.

3. The appointments of city officers pursuant to subsections 1 and 2 shall be for indefinite terms, and each such officer shall receive such compensation and other benefits as may be determined by resolution of the Council from time to time.

4. Any city officer may be temporarily suspended with full pay at any time by a majority vote of the Council, but no city officer may be removed from office unless he or she has first been given an opportunity for a hearing before the Council, at his or her request, with not less than 7 days’ prior notice of the time and place of the hearing. Such hearing may be either public or private, as requested by the officer, and at the hearing, the officer may be assisted by his or her own legal counsel. Any action of the Council following such hearing shall be considered final and conclusive. If a city officer is so removed, the Council will appoint a person as a temporary replacement to perform the duties of the removed officer, and
will appoint a qualified person as a permanent replacement officer as soon as practicable.

5. No person shall be appointed as a city officer who is a grandparent, parent, uncle, aunt, brother, sister, nephew, niece, child or grandchild, by birth, marriage or adoption, of a city officer, employee or Council member at the time of appointment.

Sec. 4.030 City Clerk powers and duties. The City Clerk shall have the power and be required to:

1. Receive all documents addressed to the Council and present such documents to the Council.

2. Attend all meetings of the Council and its committees and be responsible for:
   (a) Recording and maintaining an accurate journal of Council proceedings;
   (b) Recording the ayes and noes in the final action upon the questions of granting franchises, making of contracts, approving of bills, disposing of or leasing city property, the passage or reconsideration of any ordinance, or upon any other act that involves the payment of money or the incurring of debt by the City; and
   (c) Other duties as required upon the call of any member of the Council.

3. Maintain the journal of Council proceedings in books which shall bear appropriate titles and which shall be available for public inspection.

4. Maintain separate books in which shall be recorded respectively all ordinances and resolutions, with the certificate of the City Clerk annexed to each thereof stating the same to be the original or a correct copy, and as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter, and maintain all such books properly indexed and available for public inspection when not in actual use.

5. Have charge of the repository for contracts, surety bonds, agreements, and other related documents of City business.

6. Maintain custody of the City seal.

7. Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City, and issue certified copies of official City records.

8. Conduct all City elections.

Sec. 4.040 City Attorney; qualifications, power and duties.

1. The City Attorney shall be an attorney at law duly licensed under the laws of the State of Nevada. He or she shall devote such time to the duties of his or her office as may be specified in the ordinance or resolution fixing the compensation of such office. If practicable, the Council shall appoint an attorney who has had special training or experience in municipal corporation law.

2. The City Attorney shall have the power and be required to:
(a) Represent and advise the Council and all city officers in all matters of law pertaining to their offices;

(b) Attend all meetings of the Council and give his or her advice or opinion in writing whenever requested to do so by the Council or by any of the officers and boards of the City;

(c) Prepare or approve all proposed ordinances and resolutions for the City, and amendments thereto;

(d) Prosecute on behalf of the people such criminal cases for violation of this Charter or city ordinances, and of misdemeanor offenses and infractions arising upon violations of the laws of the State as, in his or her opinion, that of the Council or of the City Manager, warrant his or her attention;

(e) Represent and appear for the City, any city officer or employee, or former city officer or employee, in any or all actions and proceedings in which the City or any such officer or employee, in or by reason of his or her official capacity, is concerned or is a party;

(f) Approve the form of all bonds given to, and all contracts made by, the City, endorsing his or her approval thereon in writing; and

(g) On vacating the office, surrender to his or her successor all books, papers, files and documents pertaining to the City's affairs.

3. The Council shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter or to assist the City Attorney therein.

Sec. 4.050 Director of Finance; qualifications, powers and duties.

1. The person appointed by the City Manager for the position of Director of Finance shall be qualified to administer and direct an integrated Department of Finance.

2. The Director of Finance shall have the power and be required to:

(a) Have charge of the administration of the financial affairs of the City under the direction of the City Manager.

(b) Supervise and be responsible for the disbursement of all money and have control over all expenditures to ensure that budget appropriations are not exceeded.

(c) Supervise a system of financial internal control including the auditing of all purchase orders before issuance, the auditing and approving before payment of all invoices, bills, payrolls, claims, demands or other charges against the City, and, with the advice of the City Attorney, when necessary, determining the regularity, legality and correctness of such charges.

(d) With the advice of the City Attorney, settle claims, demands or other charges, including the issuing of warrants therefor.

(e) Maintain general and cost accounting systems for the city government and each of its offices, departments and other agencies.

(f) Keep separate accounts for the items of appropriation contained in the city budget. Each account shall show the amount of appropriations, the
amounts paid therefrom, the unpaid obligations against it and the unencumbered balance.

(g) Require reports of the receipts and disbursements from each receiving and expending agency of the city government to be made daily or at such intervals as he or she may deem expedient.

(h) Submit to the Council through the City Manager a monthly statement of all receipts and disbursements and other financial data in sufficient detail to show the exact financial condition of the City, and, as of the end of each fiscal year, submit a complete financial statement and report.

(i) Administer the license and business tax program of the City.

(j) Direct treasury administration for the City, including, without limitation:
   (1) Receiving and collecting revenues and receipts from whatever source;
   (2) Maintaining custody of all public funds belonging to or under the control of the City or any office, department or other agency of the city government; and
   (3) Depositing all funds coming into his or her hands in such depository as may be designated by resolution of the Council, or, if no such resolution is adopted, by the City Manager, in compliance with all of the provisions of the Constitution and laws of this State governing the handling, depositing, and securing of public funds.

(k) Direct centralized purchasing and a property control system for the city government under rules and regulations to be prescribed by ordinance.

Sec. 4.060 Performance review. On or before the annual anniversary date of the appointment of persons serving in the positions of City Manager, City Attorney and City Clerk, the Council shall review and evaluate the performance of such appointees.

Sec. 4.070 Appointment powers of department heads. Subject to the approval of the City Manager and subject to civil service rules and regulations adopted by the Council, each head of a department, office or other agency shall have the power to appoint and remove such deputies, assistants, subordinates and employees as are provided for by the Council for his or her department, office or other agency.

ARTICLE V
JUDICIAL

Sec. 5.010 Municipal court. The municipal court must be presided over by the Justice of the Peace of Laughlin Township as ex officio municipal judge.

Sec. 5.020 Municipal judge appointed. If the Office of Justice of the Peace of Laughlin Township ceases to exist, the municipal court shall be presided over by a municipal judge appointed by the Council.
ARTICLE VI
CITY BUDGETS

Sec. 6.010 Budgets. Budgets for the City shall be prepared in accordance with and shall be governed by the provisions of the general laws of the State pertaining to budgets of cities.

ARTICLE VII
PUBLIC IMPROVEMENTS AND REPAIRS

Sec. 7.010 Expenses of improvements; payment by funds or by special assessments. The expenses of public improvements and repairs, such as the improvement of streets and alleys by grading, paving, graveling and curbing, the construction, repair, maintenance and preservation of sidewalks, drains, curbs, gutters, storm sewers, drainage systems, sewerage systems and sewerage disposal plants, may be paid from the General Fund or Street Fund or the cost or portion thereof as the Council shall determine, may be defrayed by special assessments upon lots and premises abutting upon that part of the street or alley so improved or proposed so to be, or the land abutting upon such improvement and such other lands as in the opinion of the Council may benefit by the improvement all in the manner contained in the provisions of the Nevada Revised Statutes.

ARTICLE VIII
CITY ASSESSOR; TAX RECEIVER; FINANCES AND PURCHASING

Sec. 8.010 Clark County Assessor to be ex officio City Assessor. The County Assessor of Clark County shall, in addition to the duties now imposed upon him or her by law, act as the Assessor of the City and shall be ex officio City Assessor, without further compensation. He or she shall perform such duties as the Council may by ordinance prescribe with the County Assessor's consent.

Sec. 8.020 Clark County Treasurer to be ex officio City Tax Receiver. The County Treasurer of Clark County shall, in addition to the duties now imposed upon him or her by law, act as ex officio City Tax Receiver. He or she shall receive and safely keep all moneys that come to the City by taxation, and shall pay the same to the Director of Finance. The City Tax Receiver may, with the consent of the Council, collect special assessments which may be levied by authority of this Charter or city ordinance when they become due and payable, and whenever and wherever the general laws of the State of Nevada regarding the authorized acts of tax receivers may be, the same hereby are, made applicable to the City Tax Receiver of the City of Laughlin, in the collection of city special assessments.

Sec. 8.030 Procedures for city purchasing. All purchases of goods or services of every kind or description for the City by any office, commission, board, department or any division thereof shall be made in conformance with the Nevada Revised Statutes, as amended from time to time.

Sec. 8.040 Transfer of appropriations. The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof
between general classifications of expenditures within an office, department or agency.

Sec. 8.050 When contracts and expenditures prohibited.
1. No officer, department or agency shall, during any budget year, expend or contract to expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, for any purpose, in excess of the amounts appropriated for that general classification of expenditure pursuant to this Charter. Any contract, verbal or written, made in violation of this Charter shall be null and void. Any officer or employee of the City who violates this section shall be guilty of a misdemeanor and, upon conviction thereof, shall cease to hold his or her office or employment.

2. Nothing in this section shall prevent the making of contracts or the spending of money for capital improvements to be financed in whole or in part by the issuance of bonds, nor the making of contracts of lease or for services for a period exceeding the budget year in which such contract is made, when such contract is permitted by law.

ARTICLE IX

APPOINITE BOARDS AND COMMISSIONS

Sec. 9.010 Established; enumerated.
1. The Council may create by ordinance such other appointive boards or commissions as in its judgment are required and may grant to them powers and duties as are consistent with the provisions of this Charter. The Council, by motion adopted by the affirmative votes of at least a majority of its members, may appoint from time to time temporary committees as deemed advisable to render counsel and advice to the appointing authorities on any designated matters or subjects within the jurisdiction of such authorities.

2. The Personnel Board is hereby established and has the powers and duties contained in this Article.

Sec. 9.020 Appointments, removals, vacancies, terms.
1. Except as otherwise specified in this Charter, the members of each of the appointive boards and commissions shall be appointed, and may be removed, by the Council, subject in both appointment and removal by the affirmative votes of a majority of the Council. For the purposes of this rule, residency is only required at the time of nomination.

2. If a member of a board or commission:
   (a) Is absent from two regular meetings of such board or commission, consecutively, unless by permission of such board or commission expressed in its official minutes;
   (b) Fails to attend at least one-half of the regular meetings of such board or commission within a calendar year;
   (c) Is convicted of a crime involving moral turpitude; or
   (d) Ceases to be a qualified elector of the City,
the office of that member shall become vacant and shall be so declared by the Council.

3. Except as otherwise provided in subsection 2 or section 9.030, the members of such boards and commissions shall serve for a term of 2 years and until their respective successors are appointed and qualified.

Sec. 9.030 Prohibition against serving as treasurer for campaign committee. If any member of an appointive board or commission shall become the treasurer of a campaign committee which receives contributions for any candidate for Mayor or Council member, his or her office shall become vacant and shall be so declared by the Council. Any provisions of this Article notwithstanding, no person who serves as the treasurer of a campaign committee which receives contributions for any candidate for Mayor or Council member shall be eligible for appointment to any appointive board or commission.

Sec. 9.040 Appropriations therefor. The Council shall include in its annual budget such appropriations of funds as, in its opinion, shall be sufficient for the efficient and proper functioning of such appointive boards and commissions.

Sec. 9.050 Meetings; chair.

1. The election of each chair and vice chair shall be held at the meetings of the respective boards and commissions during the month of July of each year. The board or commission, in the event of a vacancy in the office of the chair or vice chair, shall elect one of its members for the unexpired term. The chair shall have the responsibility for informing the Council or board, commission or committee of actions or inactions and the reasons therefor.

2. Each board or commission, other than the Personnel Board, shall hold a regular meeting at least once a month with reasonable provision for attendance by the public. The City Manager shall designate a secretary for the recording of minutes for each such board and commission, who shall keep a record of its proceedings and transactions. Each board and commission shall prescribe rules and regulations governing its operations which shall be consistent with this Charter and shall be filed with the City Clerk for public inspection. The Personnel Board shall meet monthly, provided there is business on the agenda to come before it. In the event no business is placed on the Personnel Board's agenda 5 days preceding the tentative meeting date, no meeting need be held, provided that in no event shall more than 3 months intervene between meetings of the Personnel Board.

Sec. 9.060 Compensation. The members of appointive boards and commissions shall receive such compensation, if any, as may be prescribed by ordinance and may receive reimbursement for necessary traveling and other expenses when on official duty of the City when such expenditure has been so authorized by the board or commission and subject to rules and regulations prescribed by ordinance or order of the Council.
Sec. 9.070  Attendance of witnesses; oaths and affirmations. Each appointive board or commission shall have the same power as the Council to compel the attendance of witnesses, to examine them under oath and to compel the production of evidence before it. Each member of any such board or commission shall have the power to administer oaths and affirmations in any investigation or proceeding pending before such board or commission.

Sec. 9.080  Personnel Board: Membership. The Personnel Board shall consist of five members to be appointed by the Council from the qualified electors of the City. None of the members shall be removed from office without reasonable and sufficient cause, in accordance with procedures as provided by ordinance. None of the members shall hold public office or employment in the city government or be a candidate for any other public office or position, be an officer of any local, state or national partisan political club or organization, or while a member of the Personnel Board or for a period of 1 year after he or she has ceased for any reason to be a member, be eligible for appointment to any salaried office or employment in the service of the City.

Sec. 9.090  Personnel Board: Powers and duties. The Personnel Board shall have the power and be required to:

1. Hear appeals pertaining to the disciplinary suspension, demotion or dismissal of any officer or employee having permanent status in any office, position or employment in the civil service, and as otherwise provided for in the civil service rules and regulations;

2. Consider matters that may be referred to it by the Council or the City Manager and render such counsel and advice in regard thereto as may be requested by the referring authorities;

3. By its own motion, make such studies and investigations as it may deem necessary for the review of civil service rules and regulations, or to determine the wisdom and efficacy of the rules, regulations, policies, plans and procedures dealing with civil service matters and report its findings and recommendations to the City Manager or the Council, or to both such authorities, as it may see fit; and

4. Conduct public hearings on proposed revisions of civil service rules and regulations in the manner as prescribed by ordinance and advise the Council of its findings in such matters within 60 days.

Sec. 9.100  Charter Committee: Appointment; terms; qualifications; compensation.

1. The Charter Committee must be appointed as follows:
   (a) One member by each member of the Council.
   (b) One member by the Mayor.
   (c) One member by each member of the Senate and Assembly delegation representing the residents of the City.

2. Each member shall:
(a) Serve during the term of the person by whom he or she was appointed;
(b) Be a registered voter of the City; and
(c) Reside in the City during his or her term of office.

3. Members of the Committee are entitled to receive compensation, in an amount set by ordinance of the Council, for each full meeting of the Committee they attend.

Sec. 9.110 Charter Committee: Meetings; duties.
The Charter Committee shall:
1. Meet at least once every 2 years immediately before the beginning of each regular session of the Legislature and when requested by the Council or the Chair of the Committee.
2. Prepare recommendations to be presented to the Legislature on behalf of the City concerning all necessary amendments to this Charter.
3. Recommend to the Council the salary to be paid all elective officers for the ensuing term.
4. Perform all functions and do all things necessary to accomplish the purposes for which it is established, including, but not limited to, holding meetings and public hearings, and obtaining assistance from City officers.

Sec. 9.120 Charter Committee members: Removal; grounds.
1. Any member of the Charter Committee may be removed by a majority of the remaining members of the Committee for cause, including the failure or refusal to perform the duties of office, the absence from three successive regular meetings, or ceasing to meet any qualification for appointment to the Committee.
2. In case of removal, a replacement must be appointed by the officer who appointed the removed member.

ARTICLE X
CITY ELECTIONS

Sec. 10.010 Applicability of state election laws. All city 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 Council which are consistent with law and this Charter.

Sec. 10.020 Terms. All full terms of office in the Council are 4 years, and Council members and the Mayor must be elected at large without regard to precinct residency. 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 2 years 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.

Sec. 10.030 Specific Council positions. In the event a 2-year term position on the Council will be available at the time of a municipal election as provided in section 10.020, a candidate must file specifically for such a
position. The candidate receiving the greatest respective number of votes must be declared elected to the available 2-year position.

Sec. 10.040 Primary municipal Municipal elections. Except as otherwise provided in this Charter, a primary municipal election and a general municipal election must be held on the first Tuesday after the first Monday in April of each odd-numbered year, and a city general election must be held on the first Tuesday after the first Monday in June of each odd-numbered year, the dates fixed by the election laws of this State for statewide elections.

Sec. 10.050 Primary not required. A primary municipal election must not be held if not 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 not 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.

Sec. 10.060 General municipal election not required. If, in the primary 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 municipal election.

Sec. 10.070 Voters entitled to vote for each seat on ballot. In each primary municipal election and general municipal election, voters shall be entitled to cast ballots for candidates in a number equal to the number of seats to be filled in the city elections.

Sec. 10.080 Council to control elections. The conduct of all municipal elections shall be under the control of the 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 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.

ARTICLE XI

INITIATIVE, REFERENDUM AND RECALL

Sec. 11.010 Registered voters' power of initiative and referendum concerning city ordinances. The registered voters of a city may:

1. Propose ordinances to the Council and, if the Council fails to adopt an ordinance so proposed without change in substance, adopt or reject it at a primary or general municipal election or primary or general state election; and

2. Require reconsideration by the Council of any adopted ordinance, and if the Council fails to repeal an ordinance so considered, approve or reject it at a primary or general municipal election or primary or general state election.
Sec. 11.020  Initiative and referendum proceedings.  All initiative and referendum proceedings shall be conducted in conformance with the provisions of the Nevada Revised Statutes, as amended from time to time.

Sec. 11.030  Results of election.
1. If a majority of the registered voters voting on a proposed initiative ordinance vote in its favor, it shall be considered adopted upon certification of the results of the election and must be treated in all respects in the same manner as ordinances of the same kind adopted by the Council. If conflicting ordinances are approved at the same election, the one receiving the greatest number of affirmative votes prevails to the extent of the conflict.
2. If a majority of the registered voters voting on a referred ordinance vote against it, it shall be considered repealed upon certification of the results of the election.
3. No initiative ordinance voted upon by the registered voters or an initiative ordinance in substantially the same form as one voted upon by the people, may again be placed on the ballot until the next primary or general municipal election or primary or general state election.

Sec. 11.040  Repealing ordinances; publication. Initiative and referendum ordinances adopted or approved by the voters may be published and shall not be amended or repealed by the Council, as in the case of other ordinances.

Sec. 11.050  Recall of Council members.  As provided by the general laws of this State, every member of the Council is subject to recall from office.

ARTICLE XII
PUBLIC UTILITIES

Sec. 12.010  Granting of franchises.
1. The City shall have the power to grant a franchise to any private corporation for the use of streets and other public places in the furnishing of any public utility service to the City and to its inhabitants.
2. All franchises and any renewals, extensions and amendments thereto shall be granted only by ordinance. A proposed franchise ordinance shall be submitted to the City Manager, and he or she shall render to the Council a written report containing recommendations thereon.
3. The City shall have the power, as one of the conditions of granting any franchise, to impose a franchise tax, either for the purpose of license or for revenue.

Sec. 12.020  Conditions and transfer of franchises.
1. Every franchise or renewal, extension or amendment of a franchise hereafter granted shall:
   (a) Include that the City may issue such orders with respect to safety and other matters as may be necessary or desirable for the community; and
   (b) Reserve to the City the right to make all future regulations or ordinances deemed necessary for the preservation of the health, safety and
public welfare of the City, including, without limitation, regulations concerning the imposition of uniform codes upon the utilities, standards and rules concerning the excavations and use to which the streets, alleys and public thoroughfares may be put and regulations concerning placement of easement improvements such as poles, valves, hydrants and the like.

2. No franchise shall be transferred hereafter by any utility to another without the approval of the Council, and as a condition to such approval, the successor in interest to the said franchise shall execute a written agreement containing a covenant that it will comply with all the terms and conditions of the franchise then in existence.

Sec. 12.030 Condemnation. The City, by initiative ordinance, shall have the right to condemn the property of any public utility subject to the provisions of chapter 37 of NRS. The public utility shall receive just compensation for the taking of its property. Such an initiative petition must be voted on by the people and cannot be passed by simple acceptance of the Council.

Sec. 12.040 Establishment of municipally owned and operated utilities.
1. The City shall have power to own and operate any public utility, to construct and install all facilities that are reasonably needed and to lease or purchase any existing utility properties used and useful in public service.

2. The Council may provide by ordinance for the establishment of such utility, but an ordinance providing for a newly owned and operated utility shall be enacted only after such hearings and procedure as required herein for the granting of a franchise, and shall also be submitted to and approved at a popular referendum provided that an ordinance providing for any extension, enlargement or improvement of an existing utility may be enacted as a matter of general municipal administration.

3. The City shall have the power to execute long-term contracts for the purpose of augmenting the services of existing municipally owned utilities. Such contracts shall be passed only in the form of ordinances and may exceed in length the terms of office of the members of the Council.

Sec. 12.050 Municipal utility organizations.
1. The Council may provide for the establishment of a separate department to administer the utility function, including the regulation of privately owned and operated utilities and the operation of municipally owned utilities. Such department shall keep separate financial and accounting records for each municipally owned and operated utility and before February 1 of each fiscal year, shall prepare for the City Manager, in accordance with his or her specifications, a comprehensive report of each utility. The responsible departments or officer shall endeavor to make each utility financially self-sustaining, unless the Council shall by ordinance adopt a different policy. All net profits derived from municipally
owned and operated utilities may be expended in the discretion of the Council for general municipal purposes.

2. The rates for the products and services of any municipally owned and operated utility shall only be established, reduced, altered or increased by resolution of the Council following a public hearing.

Sec. 12.060 Financial provisions.

1. The City may finance the acquisition of privately owned utility properties, the purchase of land and the cost of all construction and property installation for utility purposes by borrowing in accordance with the provisions of general law.

2. Appropriate provisions shall be made for the amortization and retirement of all bonds within a maximum period of 40 years. Such amortization and retirement may be effected through the use of depreciation funds or other financial resources provided through the earnings of the utility.

Sec. 12.070 Sale of public utilities; proviso.

1. No public utility of any kind, after having been acquired by the City, may thereafter be sold or leased by the City, unless the proposition for the sale or lease has been submitted to the electors of the City at a special election or primary or general municipal election or primary or general state election. After a majority vote of those electors in favor of the sale, the sale may not be made except after 30 days' published notice thereof, except that the provisions of this section do not apply to a sale by the Council of parts, equipment, trucks, engines and tools which have become obsolete or worn out, any of which may be sold by the Council in the regular course of business.

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

ARTICLE XIII
MISCELLANEOUS PROVISIONS

Sec. 13.010 Removal of officers and employees. Subject to the provisions of this Charter not inconsistent herewith, any employee of the City may be suspended or dismissed from employment at any time by the City Manager or by any applicable person appointed by the City Manager pursuant to this Charter. Unless otherwise provided in this Charter, any such action shall be considered final and conclusive and shall not be subject to appeal to any city governmental entity.
Sec. 13.020 Right of City Manager and other officers of Council. The City Manager shall have the right to take part in the discussion of all matters coming before the Council, and the directors and other officers shall be entitled to take part in all discussions of the Council relating to their respective offices, departments or agencies.

Sec. 13.030 Personal interest.
1. No elective or appointive officer shall take any official action on any contract or other matter in which he or she has any financial interest.
2. A violation of the provisions of this section shall constitute a misdemeanor, subject to a penalty not to exceed the penalties specified for misdemeanors under applicable provisions of Nevada Revised Statutes in effect at the time of such violation.

Sec. 13.040 Official bonds. Officers or employees, as the Council may by general ordinance require so to do, including a municipal court judge appointed pursuant to section 5.020 of Article V, if any, shall give bond in such amount and with such surety as may be approved by the Council. The premiums on such bonds shall be paid by the City.

Sec. 13.050 Oath of office. Every officer of the City shall, before entering upon the duties of his or her office, take and subscribe to the official oath of office of the State of Nevada:

"I........., do solemnly swear (or affirm) that I will support, protect and defend the Constitution and Government of the United States and the Constitution and Government of the State of Nevada, against all enemies, whether domestic or foreign, and that I will bear true faith, allegiance and loyalty to the same, any Ordinance, Resolution or Law of any State notwithstanding, and I will well and faithfully perform all the duties of the Office of........ on which I am about to enter; (if any oath) so help me God; (if any affirmation) under the pains and penalties of perjury."

Sec. 13.060 Amending the Charter.
1. An amendment to this Charter:
   (a) May be made by the Legislature directly by the use of mandatory specific wording or indirectly by the use of wording allowing flexibility in expressing the required change or.
   (1) Directly amends this Charter, such an amendment is not subject to public approval as provided in paragraph (b) and must be included in the Charter and identified as having been amended by the particular law involved.
   (2) Requires that this Charter be amended but does not require the specific wording to be used, the Council shall propose a suitable amendment to be submitted to the registered voters of the City as provided by paragraph (b). If such a proposed amendment is not adopted by the voters, it must be redrafted and resubmitted to the voters at one or more general city elections or general state elections until an amendment is adopted.
(b) May be proposed by the Council and submitted to the registered voters of the City at a general city election or general state election.

(c) May be proposed by a petition signed by registered voters of the City equal in number to 15 percent or more of the voters who voted at the latest preceding general city election and submitted to registered voters of the City at the next general city election or general state election.

2. The City Attorney shall draft any amendment proposed pursuant to subparagraph (2) of paragraph (a) or paragraph (b) of subsection 1, or if such a proposed amendment has been previously drafted, the City Attorney shall review the previous draft and recommend to the Council any suggested changes or corrections.

3. The City Attorney shall, upon request, review any amendment intended to be proposed by petition pursuant to paragraph (c) of subsection 1, make only such corrections as are agreed to by the proposers and report to the Council his or her analysis of the significance and potential effects of the proposed amendment.

4. A petition for amendment must be in the form specified by state law for city initiative petitions and must be filed with the City Clerk not later than 6 months before the date of the general city election or general state election at which the proposed amendment is to be submitted to the voters of the City.

5. When an amendment is adopted by the registered voters of the City, the City Clerk shall, within 30 days thereafter, transmit a certified copy of the amendment to the Legislative Counsel.

6. Any amendment to the Charter proposed under the provisions of this section shall be adopted by a simple majority of the voters casting ballots on that question at two consecutive general elections before any such amendment shall become effective.

Sec. 13.070 Short title; citation of City of Laughlin Act of 2011. This Charter shall be known and may be cited as the City of Laughlin Charter.

Sec. 13.080 Construction of Charter; separability of provisions.

1. Whenever any reference is made to any portion of the Nevada Revised Statutes or of any other law of the State or of the United States, such reference shall apply to all amendments and additions thereto now or hereafter made.

2. If any section or part of a section of this Charter shall be held invalid by a court of competent jurisdiction, such holding shall not affect the remainder of this Charter nor the context in which such section or part of section so held invalid may appear, except to the extent that an entire section or part of a section may be inseparably connected in meaning and effect with the section or part of the section to which such holding shall directly apply.
Sec. 2. Section 9 of the Fort Mohave Valley Development Law, being chapter 427, Statutes of Nevada 2007, as amended by chapter 369, Statutes of Nevada 2009, at page 1860, is hereby amended to read as follows:

Sec. 9. Limitations on use of money.

1. Except as otherwise provided in subsection 2, the Board of County Commissioners may use money in the Fort Mohave Valley Development Fund only to:

   a) Purchase or otherwise acquire lands described in sections 4 and 8 of this act; and

   b) Administer the Fort Mohave Valley Development Law exclusively for the purposes of developing the Fort Mohave Valley and any general improvement district, special district, town or city whose territory contains all or a part of the land in the Fort Mohave Valley, including, without limitation, the planning, design and construction of capital improvements which develop the land in the Fort Mohave Valley or in any general improvement district, special district, town or city whose territory contains all or a part of the land in the Fort Mohave Valley.

2. The Board of County Commissioners shall use money in the Fort Mohave Valley Development Fund to pay:

   a) Any costs incurred by the Committee on Local Government Finance created by NRS 354.105, for the preparation of the report related to the fiscal feasibility of the incorporation of the City of Laughlin that is required by section 4 of this act;

   b) Any costs incurred by the County to hold the elections described in sections 5 and 11 this act; and

   c) Any other costs incurred by the County or City of Laughlin associated with the incorporation of the City of Laughlin, to the extent that gifts, grants or donations are not available to pay for the expenses.

Sec. 3. As used in sections 3 to 16, inclusive, of this act:

1. "Board of County Commissioners" means the Board of County Commissioners of Clark County.
2. "City" means the City of Laughlin.
3. "City Council" means the City Council elected pursuant to section 11 of this act.
4. "County" means the County of Clark.
5. "Fort Mohave Valley Development Fund" means the fund created in the County Treasury pursuant to section 6 of the Fort Mohave Valley Development Law.
6. "Qualified elector" means a person who is registered to vote in this State and is a resident of the area to be included in the City, as shown by the last official registration lists before the election.
Sec. 4. 1. On or before December 31, 2011, the Committee on Local Government Finance, created by NRS 354.105, shall prepare and submit a report to the Board of County Commissioners and the Legislative Commission with respect to the fiscal feasibility of the incorporation of the City. This report must:
   (a) Include, without limitation analyses of:
      (1) The tax revenue and other revenues of the County that may be impacted by the incorporation of the City.
      (2) The tax revenue and other revenues of the Township of Laughlin compared to the potential tax revenue and other revenues of the City after incorporation.
      (3) The expenditures made by the Township of Laughlin compared to the anticipated expenditures of the City after incorporation.
      (4) The expenditures made by the County for support of the Township of Laughlin that may or may not be impacted by the incorporation of the City.
   (b) Be made available to the public for consideration before any election on the question of incorporation held pursuant to section 5 of this act.
2. Not later than 90 days after receiving the report, the Board of County Commissioners and the Legislative Commission shall review the report and make a determination as to whether the incorporation of the City is fiscally feasible.
3. The County Clerk shall cause the report to be published in a newspaper printed in the County and having a general circulation in the City at least once a week for 3 consecutive weeks. If the Board of County Commissioners or the Legislative Commission determines that the incorporation of the City is fiscally feasible, the final publication of the report must be published before the date of the election held pursuant to section 5 of this act.

Sec. 5. 1. If the Board of County Commissioners or the Legislative Commission determines pursuant to section 4 of this act that the incorporation of the City is fiscally feasible, an election on the question of incorporation of the City of Laughlin must be held. The election will also be a primary election for the offices of Mayor and City Council.
2. The Board of County Commissioners may call a special election for the purposes of subsection 1, or may conduct an election pursuant to subsection 1 on the date of the first primary election held in the County after the Board of County Commissioners receives the report required by section 4 of this act. The special election, if any, must be held within 90 days after the Board of County Commissioners receives the report prepared pursuant to section 4 of this act and conducted in accordance with the provisions of law relating to general elections so far as the same can be made applicable.
3. If the Board of County Commissioners calls a special election for the purposes of subsection 1, the County Clerk shall cause a notice of the election to be published in a newspaper printed in the County and having a
general circulation in the City at least once a week for 3 consecutive weeks. The final publication of notice must be published before the date of the election.

4. If the Board of County Commissioners conducts an election pursuant to subsection 1 on the day of the first primary election held in the County after the Board of County Commissioners receives the report required by section 4 of this act, the County Clerk shall cause notice of the election to be published pursuant to NRS 293.203.

5. The notice of the election held pursuant to subsection 3 or 4 must contain:

(a) The date of the election;
(b) The hours during the day in which the polls will be open;
(c) The location of the polling places;
(d) A statement of the question in substantially the same form as it will appear on the ballots;
(e) The names of the candidates; and
(f) A list of the offices to which the candidates seek election.

Sec. 6. The incorporation question on the ballots used for an election held pursuant to section 5 of this act must be in substantially the following form:

Shall the area described as.....(describe area) be incorporated as the City of Laughlin?  
Yes ☐ No ☐

The voter shall mark the ballot by placing a cross (x) next to the word "yes" or "no."

Sec. 7. 1. A person who wishes to become a candidate for any office to be voted for at an election held pursuant to section 5 of this act must:

(a) Reside within the boundaries of the City;
(b) File an affidavit of candidacy, which must include a declaration of residency, with the County Clerk not later than the date for the filing of such affidavits as set by the County Clerk; and
(c) File a nomination petition containing at least 100 signatures of qualified electors.

2. Qualified electors may sign more than one nominating petition for candidates for the same office.

3. A candidate may withdraw his or her candidacy pursuant to the provisions of NRS 293.202.

4. If there are less than three candidates for any office to be filled at a primary election held pursuant to section 5 of this act, their names must not be placed on the ballot for the primary election but must be placed on the ballot for a general election held pursuant to section 11 of this act.

5. The names of the two candidates for mayor and for each seat on the City Council who receive the highest number of votes in a primary election held pursuant to section 5 of this act must be placed on the ballot for a general election held pursuant to section 11 of this act.
Sec. 8. 1. At least 10 days before an election held pursuant to section 5 of this act, the County Clerk shall cause to be mailed to each qualified elector a sample ballot for his or her precinct with a notice informing the elector of the location of his or her polling place.

2. The sample ballot must:
   (a) Include the question in the form required by section 6 of this act;
   (b) Describe the area proposed to be incorporated by assessor's parcel maps, existing boundaries of subdivision or parcel maps, identifying visible ground features, extensions of the visible ground features, or by any boundary that coincides with the official boundary of the state, a county, a city, a township, a section or any combination of these; and
   (c) Include the names of candidates for the various offices as determined pursuant to section 7 of this act.

Sec. 9. 1. The Board of County Commissioners shall canvass the votes cast in an election held pursuant to section 5 of this act in the same manner as votes are canvassed in a general election. Upon completion of the canvass, the Board shall immediately notify the County Clerk of the results.

2. The County Clerk shall, upon receiving notice of the canvass from the Board of County Commissioners, immediately cause to be published a notice of the results of the election in a newspaper of general circulation in the County. If the incorporation is approved by the voters, the notice must include the category of the City according to population, as described in NRS 266.055. The County Clerk shall file a copy of the notice with the Secretary of State.

Sec. 10. 1. The Board of County Commissioners may accept gifts, grants and donations to pay for any expenses that are related to the incorporation of the City, including, without limitation:
   (a) The costs incurred by the Committee on Local Government Finance for preparing the fiscal feasibility report required by section 4 of this act;
   (b) The costs incurred by the County to hold any elections described in sections 5 and 11 of this act; and
   (c) Any other costs incurred by the County or City associated with the incorporation of the City of Laughlin.

2. To the extent that gifts, grants and donations do not pay the costs of the expenses described in subsection 1, the Board of County Commissioners shall order the County Treasurer to pay such expenses from the Fort Mohave Valley Development Fund.

3. The County Clerk shall submit to the Board of County Commissioners a statement of all expenses related to conducting any elections held pursuant to sections 5 and 11 of this act.

Sec. 11. 1. If the incorporation of the City is approved by the voters at an election held pursuant to section 5 of this act, a general election must be held to elect four members of the City Council and the Mayor. The Board of County Commissioners may conduct a special election for the purposes of this subsection, or may conduct the election required by this subsection on
the date of the first general election held in the County after the date of the
election held pursuant to section 5 of this act. The election must be conducted
in accordance with the provisions of law relating to general elections so far
as the same can be made applicable.

2. The names of the two candidates for Mayor and for each particular
seat on the City Council who receive the highest number of votes in the
primary election must be placed on the ballot for the general election. A
candidate for Mayor or a seat on the City Council may not withdraw from the
general election.

Sec. 12. 1. The term of the Mayor elected pursuant to section 11 of
this act expires upon the election and qualification of the person elected
Mayor in the general municipal election held in 2016 pursuant to
section 10.020 of the City of Laughlin Charter.

2. The terms of two of the members of the City Council elected pursuant
to section 11 of this act expire upon the election and qualification of the
persons elected to the City Council in the first general election held pursuant
to section 10.020 of the City of Laughlin Charter. The terms of the remaining
members of the City Council elected pursuant to section 11 of this act expire
upon the election and qualification of the persons elected to the City Council
in the second general election held pursuant to section 10.020 of the City of
Laughlin Charter.

3. The members of the City Council elected pursuant to section 11 of
this act shall, at the first meeting of the City Council after their election and
qualification, draw lots to determine the length of their respective terms.

Sec. 13. Before the incorporation of the City becomes effective but after
the general election held pursuant to section 11 of this act, the City Council
may:
1. Prepare and adopt a budget;
2. Prepare and adopt ordinances;
3. Prepare to levy an ad valorem tax on property within the area of the
City, at the time and in the amount prescribed by law for cities, for the fiscal
year beginning on the date the incorporation of the City becomes effective;
4. Negotiate and prepare an equitable apportionment of the fixed assets
of the County pursuant to section 15 of this act;
5. Negotiate and prepare contracts for the employment of personnel;
6. Negotiate and prepare contracts to provide services for the City, including, without limitation, those services provided for by chapter 277 of NRS;
7. Negotiate and prepare contracts for the purchase of equipment, materials and supplies;
8. Negotiate and prepare contracts or memorandums of understanding with the County for the City to provide services to unincorporated areas of the County that are contiguous to the City;
9. Negotiate and prepare a cooperative agreement pursuant to NRS 360.730; and
10. Communicate with and provide information to the Department of Taxation to effectuate the allocation of tax revenues on the date the incorporation of the City becomes effective.

Sec. 14. 1. During the period from the filing of the notice of results of an election conducted pursuant to section 5 of this act by the County Clerk until the date the incorporation of the City becomes effective, the County is entitled to receive the taxes and other revenue from the City and shall continue to provide services to the City.
2. Except as otherwise provided in NRS 318.492, all special districts, except fire protection districts, located within the boundaries of the City continue to exist within the City after the incorporation becomes effective.

Sec. 15. 1. The City Council and the Board of County Commissioners shall, before the date that the incorporation becomes effective or within 90 days after that date, equitably apportion those fixed assets of the County which are located within the boundaries of the City. The City Council and the Board of County Commissioners shall consider the location, use and types of assets in determining an equitable apportionment between the County and the City.
2. Any real property and its appurtenances located within the City and not required for the efficient operation of the County's duties must first be applied toward the City's share of the assets of the County. Any real property which is required by the County for the efficient operation of its duties must not be transferred to the City.
3. If an agreement to apportion the assets of the County is not reached within 90 days after the incorporation of the City, the matter may be submitted to arbitration upon the motion of either party.
4. Any appeal of the arbitration award must be filed with the district court within 30 days after the award is granted.

Sec. 16. Any property located within the City which was assessed and taxed by the County before incorporation must continue to be assessed and taxed to pay for the indebtedness incurred by the County before incorporation.

Sec. 17. 1. This section and sections 2 to 16, inclusive, of this act become effective upon passage and approval.
2. Section 1 of this act becomes effective, if the incorporation of the City of Laughlin is approved by the voters at an election held pursuant to section 5 of this act, on July 1, 2013.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 262.

Motion carried by a constitutional majority.

Bill ordered enrolled.

Senate Bill No. 400.

The following Assembly amendment was read:

Amendment No. 615.

"SUMMARY—Establishes a process by which a state agency may obtain certain information in county records at no charge for the purpose of assisting the economic development and population research of this State.

(BDR 20-1143)"

"AN ACT relating to records; establishing a process by which a state agency may obtain certain county records at no charge for the purpose of economic development and population estimate research; prohibiting certain uses of confidential information contained in such county records; providing civil and criminal penalties; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

This bill establishes a process by which a state agency engaged in activities related to economic development and population research may obtain at no charge information on each parcel in a county, known as the parcel dataset, and the digital parcel base map of a county, and electronic county assessor files. Section 1 of this bill requires a county assessor to provide each year to the [demographer] State Demographer employed by the Department of Taxation, at no charge, the fiscal year-end parcel dataset of the county. Section 5 of this bill requires a county which maintains or possesses a digital parcel base map of the county to provide the fiscal year-end digital parcel base map to the [demographer] State Demographer each year at no charge. Under sections 1 and 5 of this bill, the [demographer] State Demographer may not require a county to provide a parcel dataset or a digital parcel base map in any particular digital or electronic format or to use any specific software to provide such information. Not more than once each year, the [demographer] State Demographer must provide the parcel dataset and digital parcel base map at no charge to a state agency engaged in economic development and population research that submits a written request for the information. The state agency receiving the parcel dataset or digital parcel base map must provide a summary of the research produced from the information to the county providing the information and the Commission on Economic Development at no charge. Under sections 1 and 5, a state agency receiving
a parcel dataset or a digital parcel base map for a county must keep such information confidential and must not knowingly redistribute the information to any other person or governmental agency.

Under existing law, the personal information of certain persons which is contained in the records of a county assessor is deemed confidential, except that a county assessor is authorized to release this confidential information for certain limited purposes. (NRS 250.100-250.230) Existing law provides criminal and civil penalties for improper acts related to obtaining or disclosing these confidential records. (NRS 250.210-250.230) Section 1 of this bill makes these civil and criminal penalties applicable to an employee or agent of a state agency obtaining confidential information in parcel datasets from the State Demographer.

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

Section 1. Chapter 250 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Notwithstanding any other provision of law, not later than September 1 of each year, a county assessor shall provide to the State Demographer at no charge the parcel dataset of the county as of June 30 of that year. The State Demographer may not require a county assessor to provide information pursuant to this subsection in a particular digital or electronic format or to use any specific software to provide the information. The State Demographer shall keep confidential the information provided to him or her pursuant to this subsection, except that the State Demographer shall provide such information at no charge to a state agency which satisfies the requirements of this section.

2. A state agency engaged in activities related to economic development or population estimate research may request the parcel datasets provided to the State Demographer pursuant to subsection 1 by submitting a written request to the State Demographer. The written request must include, without limitation:

   (a) The name and address of the state agency;
   (b) A statement of the purpose for which the state agency is seeking the parcel datasets; and
   (c) A summary of the research or statistical reports which will be produced from the parcel datasets.

3. Except as otherwise provided in subsection 4, if the State Demographer finds that a written request complies with subsection 2, the State Demographer shall provide to the state agency at no charge the parcel datasets provided to the State Demographer pursuant to subsection 1.

4. The State Demographer may refuse a request submitted by a state agency pursuant to subsection 2 if the State Demographer has provided the
requested information to the state agency during the calendar year in which the request is made.

5. A state agency receiving parcel datasets pursuant to this section shall provide to the county that provided the parcel datasets and the Commission on Economic Development, at no charge, a summary of the research produced from that information.

6. The State Demographer or any employee or other agent of a state agency receiving parcel datasets pursuant to this section shall not knowingly:

   (a) Publish or otherwise disclose any information made confidential pursuant to NRS 250.100 to 250.230, inclusive; or

   (b) Use any information made confidential pursuant to NRS 250.100 to 250.230, inclusive, to contact any person.

7. A person who violates subsection 6 is guilty of a misdemeanor and, in addition, the court may order a person who violates subsection 6 to pay a civil penalty in an amount not to exceed $2,500 for each act.

8. A state agency receiving a parcel dataset pursuant to this section shall keep the parcel dataset confidential, and, except as otherwise provided in subsection 5, the State Demographer, or any employee or other agent of a state agency receiving a parcel dataset pursuant to this section, shall not provide the parcel dataset to any person or governmental agency.

9. As used in this section:

   (a) "Parcel dataset" means data or files maintained in digital or electronic format by a county assessor in the course of his or her duties that contain information on each parcel in the county, including, without limitation, information concerning ownership, parcel number, address, land designations and zoning, improvements and, if applicable, the date and price of sale.

   (b) "State agency" means:

      (1) The State of Nevada, or any agency, instrumentality or corporation thereof; and

      (2) Faculty of the Nevada System of Higher Education or any branch or facility thereof.

   (c) "State Demographer" means the demographer employed pursuant to NRS 360.283.

Sec. 2. NRS 250.150 is hereby amended to read as follows:

250.150 If a person listed in NRS 250.140 requests confidentiality, the confidential information of that person may only be disclosed as provided in NRS 239.0115, 250.160 or 250.180 or section 1 of this act.

Sec. 3. NRS 250.160 is hereby amended to read as follows:

250.160 1. A county assessor may provide confidential information for use:
(a) By any governmental entity, including, without limitation, any court or law enforcement agency, in carrying out its functions, or any person acting on behalf of a federal, state or local governmental agency in carrying out its functions.

(b) In connection with any civil, criminal, administrative or arbitration proceeding before any federal or state court, regulatory body, board, commission or agency, including, without limitation, use for service of process, investigation in anticipation of litigation, and execution or enforcement of judgments and orders or pursuant to an order of a federal or state court.

(c) By a private investigator, private patrol officer or security consultant who is licensed pursuant to chapter 648 of NRS, for any use authorized pursuant to this section.

(d) In connection with an investigation conducted pursuant to NRS 253.0415 or 253.220.

(e) In activities relating to research and the production of statistical reports, if the address or information will not be published or otherwise disclosed or used to contact any person.

(f) In the bulk distribution of surveys, marketing material or solicitations, if the assessor has adopted policies and procedures to ensure that the information will be used or sold only for use in the bulk distribution of surveys, marketing material or solicitations.

(g) By a reporter or editorial employee who is employed by or affiliated with any newspaper, press association or commercially operated, federally licensed radio or television station.

(h) In accordance with section 1 of this act.

2. Except for a reporter or editorial employee described in paragraph (g) of subsection 1, a person who obtains information pursuant to this section and sells or discloses that information shall keep and maintain for at least 5 years a record of:

(a) Each person to whom the information is sold or disclosed; and
(b) The purpose for which that person will use the information.

Sec. 4. NRS 250.210 is hereby amended to read as follows:

250.210 1. A person shall not:

(a) Make a false representation to obtain any information pursuant to NRS 250.100 to 250.180, inclusive; or

(b) Knowingly obtain or disclose information pursuant to NRS 250.100 to 250.180, inclusive, for any use not authorized pursuant to NRS 250.100 to 250.180, inclusive [4], or section 1 of this act.

2. A person who violates the provisions of this section is guilty of a misdemeanor.

Sec. 5. Chapter 237 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Notwithstanding any other provision of law, not later than September 1 of each year, each county which possesses or maintains a
digital parcel base map for the county shall provide the digital parcel base map for the county, as of June 30 of that year, to the State Demographer at no charge. The State Demographer may not require a county to provide a digital parcel base map in a particular electronic format or to use any specific software to provide the digital parcel base map. The State Demographer shall keep confidential the information provided to him or her pursuant to this subsection, except that the State Demographer shall provide such information at no charge to a state agency which satisfies the requirements of this section.

2. A state agency engaged in activities related to economic development or population estimate research may request the digital parcel base maps for each county that possesses or maintains a digital parcel base map by submitting a written request to the State Demographer. The written request must include, without limitation:
   (a) The name and address of the state agency;
   (b) A statement of the purpose for which the state agency is seeking the digital parcel base maps; and
   (c) A summary of the research or statistical reports which will be produced from the digital parcel base maps.

3. Except as otherwise provided in subsection 4, if the State Demographer finds that a written request complies with subsection 2, the State Demographer shall provide to the state agency at no charge the digital parcel base maps provided to the State Demographer pursuant to subsection 1.

4. The State Demographer may refuse a request submitted by a state agency pursuant to subsection 2 if the State Demographer has provided the requested information to the state agency during the calendar year in which the request is made.

5. A state agency receiving a digital parcel base map pursuant to this section shall provide to the county that provided the digital parcel base map and the Commission on Economic Development, at no charge, a summary of the research produced from that information.

6. A state agency receiving a digital parcel base map pursuant to this section shall keep the digital parcel base map confidential, and except as otherwise provided in subsection 5, the State Demographer, or any employee or other agent of a state agency receiving a digital parcel base map for a county pursuant to this section, shall not provide the digital parcel base map to any person or governmental agency.

7. As used in this section:
   (a) "Digital parcel base map" means a map in an electronic format that contains the boundaries of the parcels in the county.
   (b) "State agency" means:
      (1) The State of Nevada, or any agency, instrumentality or corporation thereof; and
(2) Faculty belonging to the Nevada System of Higher Education or any branch or facility thereof.

(c) “State Demographer” means the demographer employed pursuant to NRS 360.283.

Sec. 6. This act becomes effective on July 1, 2011.

Senator Lee moved that the Senate concur in the Assembly amendment to Senate Bill No. 400.
Motion carried by a constitutional majority.
Bill ordered enrolled.

GENERAL FILE AND THIRD READING

Senate Bill No. 493.
Bill read third time.
The following amendment was proposed by the Committee on Revenue:
Amendment No. 893.
"SUMMARY—Creates the Mining Oversight and Accountability Commission and revises the provisions governing the calculation of the net proceeds of mines. (BDR 32-1152)"

"AN ACT relating to mining; creating the Mining Oversight and Accountability Commission and establishing its membership, powers and duties; revising provisions governing the calculation of net proceeds from certain mining operations conducted in this State; and providing other matters properly relating thereto."
Legislative Counsel's Digest:
Existing law does not provide for a single administrative body to oversee the activities of the various state agencies that have responsibility for the taxation, operation, safety and environmental regulation of mines and mining in this State. Section 5 of this bill creates the Mining Oversight and Accountability Commission. Two members of the Commission are appointed by the Governor. The Majority Leader of the Senate and the Speaker of the Assembly each appoint two additional members. In the first biennium, the seventh member is appointed by the Minority Leader of the Senate. In the next biennium, the seventh member is appointed by the Minority Leader of the Assembly. The appointment continues to alternate each biennium thereafter. Section 7 of this bill requires the Commission to provide oversight of compliance with Nevada law relating to the activities of each state agency or political subdivision with respect to the taxation, operation, safety and environmental regulation of mines and mining in this State. Section 7 also identifies particular state entities that are subject to the supervision of the Commission with respect to their activities related to mines and mining: (1) the Nevada Tax Commission and the Department of Taxation in the taxation of the net proceeds of minerals; (2) the Division of Industrial Relations of the Department of Business and Industry concerning the safe and healthful working conditions at mines; (3) the Commission on Mineral
Resources and the Division of Minerals of the Commission; (4) the Bureau of Mines and Geology of the State of Nevada; and (5) the Division of Environmental Protection of the State Department of Conservation and Natural Resources in its activities concerning the reclamation of land used in mining. Sections 8 and 13-16 of this bill establish certain reports and other information that those entities are required to provide to the Commission. Section 11 of this bill authorizes the Commission to request the Legislative Commission to direct the Legislative Auditor to provide for a special audit or investigation of the activities of any state agency, board, bureau, commission or political subdivision in connection with the taxation, operation, safety and environmental regulation of mines and mining in this State. Section 12 of this bill provides that certain regulations of the Nevada Tax Commission, Administrator of the Division of Industrial Relations, of the Department of Business and Industry, Commission on Mineral Resources and the State Environmental Commission concerning mines and mining are not effective unless they are approved by the Commission. Section 12.5 of this bill revises provisions governing the calculation of net proceeds from certain mining operations conducted in this State.

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

Section 1. Chapter 362 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 12 inclusive, of this act.

Sec. 2. As used in sections 2 to 12, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 and 4 of this act have the meanings ascribed to them in those sections.

Sec. 3. "Chair" means the Chair of the Commission.

Sec. 4. "Commission" means the Mining Oversight and Accountability Commission created by section 5 of this act.

Sec. 5. 1. There is hereby created the Mining Oversight and Accountability Commission consisting of seven members appointed as follows:

(a) Two members appointed by the Governor;
(b) Two members appointed by the Majority Leader of the Senate;
(c) Two members appointed by the Speaker of the Assembly; and
(d) One member appointed by the Minority Leader of the Senate or the Minority Leader of the Assembly. The appointment must alternate each biennium between the Houses of the Legislature.

2. The Governor, Majority Leader of the Senate, Speaker of the Assembly, Minority Leader of the Senate and Minority Leader of the Assembly shall confer before making an appointment to ensure that:

(a) Not more than two of the members are appointed from any one county in this State; and
(b) Not more than two of the members have a direct or indirect financial interest in the mining industry or are related by blood or marriage to a person who has such an interest.
3. Each member of the Commission serves for a term of 2 years.
4. A vacancy on the Commission must be filled by the appointing authority in the same manner as the original appointment.

Sec. 6. 1. The Commission shall elect one of its members as Chair and another as Vice Chair, who shall serve for a term of 1 year or until their successors are elected and qualified.
2. The Commission shall meet at least once each calendar quarter and may meet at other times on the call of the Chair or a majority of its members.
3. A majority of the members of the Commission constitutes a quorum for the transaction of business, and a majority of those members present at any meeting is sufficient for any official action taken by the Commission.
4. While engaged in the business of the Commission, each member of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
5. The Executive Director of the Department shall assign employees of the Department to provide such technical, clerical and operational assistance to the Commission as the functions and operations of the Commission may require.

Sec. 7. Notwithstanding any other provision of law, the Commission shall provide oversight of compliance with Nevada law relating to the activities of each state agency, board, bureau, commission, department, division or political subdivision in connection with respect to the taxation, operation, safety and environmental regulation of mines and mining in this State, including, without limitation, the activities of:
1. The Nevada Tax Commission and the Department of Taxation in the taxation of the net proceeds of minerals pursuant to this chapter and Section 5 of Article 10 of the Nevada Constitution.
2. The Division of Industrial Relations of the Department of Business and Industry in administering the provisions of chapter 512 of NRS concerning the safe and healthful working conditions at mines.
3. The Commission on Mineral Resources and the Division of Minerals of the Commission in the administration of the provisions of chapters 513 and 522 of NRS concerning the conduct of mining operations and operations for the production of oil, gas and geothermal energy in the State.
4. The Bureau of Mines and Geology of the State of Nevada in the Public Service Division of the Nevada System of Higher Education in its administration of the provisions of chapter 514 of NRS.
5. The Division of Environmental Protection of the State Department of Conservation and Natural Resources in its administration of the provisions of chapter 519A of NRS concerning the reclamation of mined land, areas of exploration and former areas of mining or exploration.
Sec. 8. In addition to any other information requested by the Commission pursuant to section 9 of this act:

1. The Administrator of the Division of Industrial Relations of the Department of Business and Industry shall submit to the Commission at its first regular meeting in each calendar year the report that is required pursuant to NRS 512.140 concerning the functions of the Administrator under chapter 512 of NRS concerning the creation and maintenance of safe and healthful working conditions at mines in this State during the immediately preceding calendar year.

2. The Department of Taxation shall submit to the Commission at the second regular meeting of the Commission in each calendar year:
   (a) An audit program identifying each mining operator or other person who is required to file a statement concerning the extraction of minerals in this State pursuant to NRS 362.100 to 362.240, inclusive, that the Department intends to audit during the immediately following calendar year;
   (b) A report of the results of each audit of a mining operator or other person completed by the Department during the immediately preceding calendar year; and
   (c) A report of the status of each audit of a mining operator or other person that is in process at the time of the report.

3. The Division of Environmental Protection of the State Department of Conservation and Natural Resources shall submit to the Commission at its third regular meeting in each calendar year a report concerning the Division’s activities concerning the reclamation of mined lands, areas of exploration and former areas of mining or exploration during the immediately preceding calendar year, including, without limitation, an accounting of the amounts of fees collected for permits issued by the Division and any fines imposed by the Division.

Sec. 9. 1. In conducting the investigations and hearings of the Commission:
   (a) The Chair or any member designated by the Chair may administer oaths.
   (b) The Chair may cause the deposition of witnesses, residing either within or outside of the State, to be taken in the manner prescribed by rule of court for taking depositions in civil actions in the district courts.
   (c) The Chair may issue subpoenas to compel the attendance of witnesses and the production of books and papers.

2. If any witness refuses to attend or testify or produce any books and papers as required by the subpoena, the Chair may report to the district court by petition, setting forth that:
   (a) Due notice has been given of the time and place of attendance of the witness or the production of the books and papers;
   (b) The witness has been subpoenaed by the Commission pursuant to this section; and
(c) The witness has failed or refused to attend or produce the books and papers required by the subpoena before the Commission which is named in the subpoena, or has refused to answer questions propounded to the witness, and asking for an order of the court compelling the witness to attend and testify or produce the books and papers before the Commission.

3. Upon such a petition, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order, and to show cause why the witness has not attended or testified or produced the books or papers before the Commission. A certified copy of the order must be served upon the witness.

4. If it appears to the court that the subpoena was regularly issued by the Commission, the court shall enter an order that the witness appear before the Commission at the time and place fixed in the order and testify or produce the required books or papers. Failure to obey the order constitutes contempt of court.

Sec. 10. 1. Each witness who appears before the Commission by its order, except a state officer or employee, is entitled to receive for such attendance the fees and mileage provided for witnesses in civil cases in the courts of record of this State.

2. The fees and mileage must be audited and paid upon the presentation of proper claims sworn to by the witness and approved by the Chair of the Commission.

Sec. 11. 1. The Commission may submit a request to the Legislative Commission that the Legislative Auditor be directed to undertake, or to contract with a qualified accounting firm to undertake, a special audit or investigation of the activities of any state agency, board, bureau, commission or political subdivision in connection with the taxation, operation, safety and environmental regulation of mines and mining in this State.

2. The request submitted pursuant to subsection 1 must be accompanied by an explanation of the circumstances that give rise to the request.

Sec. 12. A regulation adopted by the:

1. Nevada Tax Commission, pursuant to NRS 360.090, concerning any taxation related to the extraction of any mineral in this State, including, without limitation, the taxation of the net proceeds pursuant to this chapter and Section 5 of Article 10 of the Nevada Constitution;

2. Administrator of the Division of Industrial Relations of the Department of Business and Industry for mine health and safety pursuant to NRS 512.131;

3. Commission on Mineral Resources pursuant to 513.063, 513.094 or 519A.290; and

4. State Environmental Commission pursuant to NRS 519A.160,
is not effective unless it is approved by the Mining Oversight and Accountability Commission.

Sec. 12.5. **NRS 362.120 is hereby amended to read as follows:**

362.120 1. The Department shall, from the statement filed pursuant to NRS 362.110 and from all obtainable data, evidence and reports, compute in dollars and cents the gross yield and net proceeds of the calendar year immediately preceding the year in which the statement is filed.

2. The gross yield must include the value of any mineral extracted which was:
   (a) Sold;
   (b) Exchanged for any thing or service;
   (c) Removed from the State in a form ready for use or sale; or
   (d) Used in a manufacturing process or in providing a service, during that period.

3. The net proceeds are ascertained and determined by subtracting from the gross yield the following deductions for costs incurred during that period, and none other:
   (a) The actual cost of extracting the mineral, which is limited to direct costs for activities performed in the State of Nevada.
   (b) The actual cost of transporting the mineral to the place or places of reduction, refining and sale.
   (c) The actual cost of reduction, refining and sale.
   (d) The actual cost of marketing and delivering the mineral, and the conversion of the mineral into money.
   (e) The actual cost of maintenance and repairs of:
      (1) All machinery, equipment, apparatus and facilities used in the mine.
      (2) All milling, refining, smelting and reduction works, plants and facilities.
      (3) All facilities and equipment for transportation except those that are under the jurisdiction of the Public Utilities Commission of Nevada or the Nevada Transportation Authority.
   (f) The actual cost of fire insurance on the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e).
   (g) Depreciation of the original capitalized cost of the machinery, equipment, apparatus, works, plants and facilities mentioned in paragraph (e). The annual depreciation charge consists of amortization of the original cost in a manner prescribed by regulation of the Nevada Tax Commission and approved by the Mining Oversight and Accountability Commission created by section 5 of this act. The probable life of the property represented by the original cost must be considered in computing the depreciation charge.
   (h) All money expended for premiums for industrial insurance, and the actual cost of hospital and medical attention and accident benefits and group insurance for all employees.
   (i) All money paid as contributions or payments under the unemployment compensation law of the State of Nevada, as contained in
chapter 612 of NRS, all money paid as contributions under the Social Security Act of the Federal Government, and all money paid to either the State of Nevada or the Federal Government under any amendment to either or both of the statutes mentioned in this paragraph.

(h) The costs of employee travel which occurs within the State of Nevada and which is directly related to mining operations within the State of Nevada.

(i) The costs of Nevada-based corporate services relating to paragraphs (e) to (h), inclusive.

(j) The actual cost of developmental work in or about the mine or upon a group of mines when operated as a unit, which is limited to work that is necessary to the operation of the mine or group of mines.

(k) The costs of reclamation work in the years the reclamation work occurred, including, without limitation, costs associated with the remediation of a site.

(l) All money paid as royalties by a lessee or sublessee of a mine or well, or by both, in determining the net proceeds of the lessee or sublessee, or both.

4. Royalties deducted by a lessee or sublessee constitute part of the net proceeds of the minerals extracted, upon which a tax must be levied against the person to whom the royalty has been paid.

5. Every person acquiring property in the State of Nevada to engage in the extraction of minerals and who incurs any of the expenses mentioned in subsection 3 shall report those expenses and the recipient of any royalty to the Department on forms provided by the Department. The Department shall report annually to the Mining Oversight and Accountability Commission the expenses and deductions of each mining operation in the State of Nevada.

6. The several deductions mentioned in subsection 3 do not include any expenditures for salaries, or any portion of salaries, of any person not actually engaged in:

(a) The working of the mine;
(b) The operating of the mill, smelter or reduction works;
(c) The operating of the facilities or equipment for transportation;
(d) Superintending the management of any of those operations;
(e) The State of Nevada, in office, clerical or engineering work necessary or proper in connection with any of those operations;

(f) Nevada-based corporate services.

7. The following expenses are specifically excluded from any deductions from the gross yield:

(a) The costs of employee housing.
(b) Except as otherwise provided in paragraph (h) of subsection 3, the costs of employee travel.
(c) The costs of severing the employment of any employees.
(d) Any dues paid to a third-party organization or trade association to promote or advertise a product.

(e) Expenses relating to governmental relations or to compensate a natural person or entity to influence legislative decisions.

(f) The costs of mineral exploration.

(g) Any federal, state or local taxes.

8. As used in this section, "Nevada-based corporate services" means corporate services which are performed in the State of Nevada from an office located in this State and which directly support mining operations in this State, including, without limitation, accounting functions relating to mining operations at a mine site in this State such as payroll, accounts payable, production reporting, cost reporting, state and local tax reporting and recordkeeping concerning property.

Sec. 13. NRS 512.140 is hereby amended to read as follows:

512.140 The Administrator shall submit annually to the Governor, and to the Mining Oversight and Accountability Commission created by section 5 of this act, as soon as practicable after the beginning of each calendar year, a full report of the administration of the Administrator's functions under this chapter during the preceding calendar year. The report must include, either in summary or detailed form, the information obtained by the Administrator under this chapter together with such findings and comments thereon and such recommendations as the Administrator may deem proper.

Sec. 14. NRS 513.063 is hereby amended to read as follows:

513.063 The Commission shall:

1. Keep itself informed of and interested in the entire field of legislation and administration charged to the Division.

2. Report to the Governor, the Mining Oversight and Accountability Commission created by section 5 of this act and the Legislature on all matters which it may deem pertinent to the Division, and concerning any specific matters previously requested by the Governor or the Mining Oversight and Accountability Commission.

3. Advise and make recommendations to the Governor, the Mining Oversight and Accountability Commission and the Legislature concerning the policy of this State relating to minerals.

4. Formulate the administrative policies of the Division.

5. Adopt regulations necessary for carrying out the duties of the Commission and the Division.

Sec. 15. NRS 513.093 is hereby amended to read as follows:

513.093 The Administrator:

1. Shall coordinate the activities of the Division.

2. Shall report to the Commission upon all matters pertaining to the administration of the Division.

3. Shall attend each regular meeting of the Mining Oversight and Accountability Commission created by section 5 of this act and each special meeting if requested by the Chair of that Commission and:
(a) Report to the Mining Oversight and Accountability Commission on the activities of the Division undertaken since the Division's previous report, including, without limitation, an accounting of any fees or fines imposed or collected;
(b) The current condition of mining and of exploration for and production of oil, gas and geothermal energy in the State; and
(c) Provide any technical information required by the Mining Oversight and Accountability Commission during the course of the meeting.

4. Shall submit a biennial report to the Governor and the Legislature through the Commission concerning the work of the Division, with recommendations that the Administrator may deem necessary. The report must set forth the facts relating to the condition of mining and of exploration for and production of oil and gas in the State.

Sec. 16. Chapter 514 of NRS is hereby amended by adding thereto a new section to read as follows:

The Director of the Bureau of Mines and Geology shall attend each regular meeting of the Mining Oversight and Accountability Commission created by section 5 of this act and each special meeting if requested by the Chair of the Commission and:
1. Report to the Commission on the activities of the Bureau of Mines and Geology undertaken by the Bureau since its previous report, including, without limitation, the current condition of mining and of exploration for and production of oil and gas in the State; and
2. Provide any technical information required by the Commission during the course of the meeting.

Sec. 17. The Department of Taxation shall submit to the Mining Oversight and Accountability Commission created by section 5 of this act at the first regular meeting of the Commission following the effective date of this act a comprehensive audit program that sets forth the Department's plan for completing an audit of every mining operator or other person who is required to file a statement concerning the extraction of minerals in this State pursuant to NRS 362.100 to 362.240, inclusive.

Sec. 17.3. The amendatory provisions of section 12.5 of this act:
1. Do not apply to or affect any determination of gross yield or net proceeds required pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year 2011.
2. Apply for the purposes of estimating and determining gross yield and net proceeds pursuant to NRS 362.100 to 362.240, inclusive, for the calendar year 2012 and each calendar year thereafter.

Sec. 17.7. 1. The Nevada Tax Commission, on or before January 1, 2012, and subject to the requirements of section 12 of this act, shall adopt regulations to carry out the provisions of NRS 362.120, as amended by section 12.5 of this act.
2. In adopting regulations pursuant to subsection 1, the Nevada Tax Commission shall amend or repeal any of its existing regulations that
conflict or are inconsistent with the provisions of NRS 362.120, as amended by section 12.5 of this act.

Sec. 18. Notwithstanding the provisions of section 5 of this act, as soon as practicable after the effective date of this act:

1. The Governor, Majority Leader of the Senate and Speaker of the Assembly shall each appoint to the Mining Oversight and Accountability Commission created by section 5 of this act:
   (a) One member whose term expires on June 30, 2012; and
   (b) One member whose term expires on June 30, 2013.

2. The Minority Leader of the Senate shall appoint to the Mining Oversight and Accountability Commission created by section 5 of this act one member whose term expires on June 30, 2013.

Sec. 19. 1. This section and sections 1 to 12, inclusive, and 13 to 18, inclusive, of this act become effective upon passage and approval.

2. Section 12.5 of this act becomes effective on January 1, 2012.

Senator Leslie moved the adoption of the amendment.
Senator Leslie requested that her remarks be entered in the Journal.
Amendment No. 893 to Senate Bill No. 493 makes several changes and further clarifies the types of deductions that may be claimed for the purposes of calculating the net proceeds of minerals.
The amendment removes deductions for the cost of marketing, the cost of converting the mineral into money, and costs related to insurance.
The amendment adds deductions for the cost of in-state travel that is directly related to mining operations in Nevada, costs related to Nevada-based corporate services and certain costs related to reclamation and remediation of a site.
The amendment also identifies certain expenses that are specifically excluded from any deductions from the gross yield.
Finally, the amendment clarifies that the changes to the deductions contained within the bill will become effective on January 1, 2012, and will not impact the calculation of the net proceeds of minerals or any tax payments based on mining activity for calendar year 2011. The changes to the deductions will apply to the calculation of net proceeds of minerals and tax payments beginning in calendar year 2012 and each year thereafter.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 200.
The following Assembly amendment was read:
Amendment No. 720.
"SUMMARY—Makes various changes relating to time shares. (BDR 10-217)"
"AN ACT relating to time shares; restricting the disclosure of certain information about owners of time shares; requiring certain mailings to owners of time shares upon request by an owner; following a notice of sale on the foreclosure of a time share to be given by posting on an Internet
Legislative Counsel's Digest:

Section 2 of this bill requires the manager or board of an association of a
time-share plan to maintain a list of owners of time shares in the plan.
Section 2 also prohibits the manager or board from disclosing personal
information about an owner without the prior written consent of the owner
except under certain circumstances.

Section 3 of this bill requires the manager or board of an association of a
time-share plan to: (1) mail certain materials to all owners on the list of
owners of time shares in the plan upon the request of an owner under certain
circumstances; (2) provide an owner with the option to place certain limits on
the information that may be provided to other owners; (3) provide an owner
with a written disclosure regarding the potential effect of giving consent to
publish or furnish information about the owner; and (4) establish procedures
for such mailings.

Existing law requires that, among other forms of notice, a sale of a time
share to satisfy a lien for unpaid assessments be noticed by publication in a
newspaper under certain circumstances. (NRS 119A.560) Section 4 of this
bill authorizes, as an alternative to the newspaper form of publication, such a
notice of sale and a declaration in a form to be prepared by the Real Estate
Division of the Department of Business and Industry to be posted on an
Internet website if a statement of the Internet address is also published in a
newspaper.

Existing law requires that, among other forms of notice, a sale of real
property in foreclosure under a deed of trust be noticed by publication in a
newspaper under certain circumstances. (NRS 107.080) Section 5 of this bill
authorizes, as an alternative to that form of publication, a notice of a time
share in foreclosure under a deed of trust to be posted on an Internet website
if a statement of the Internet address is also published in a newspaper.

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

Section 1. Chapter 119A of NRS is hereby amended by adding thereto
the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. A manager or, if there is no manager, the board shall
maintain in the records of an association a complete list of the names and
mailing addresses of all owners. The list must be updated not less
frequently than quarterly.

2. If a time-share plan is part of a common-interest community
governed by chapter 116 of NRS, the names and addresses of delegates or
representatives who are elected pursuant to NRS 116.31105 or, if there are
none, the name and address of the association must appear on the list of
owners of an association organized under NRS 116.3101 in lieu of the
names, addresses and other personal information of the individual owners.
3. Notwithstanding any provision of the declaration or bylaws of a time-share plan to the contrary, a manager or a board may not, except as otherwise authorized or required by law, publish or furnish any information about any owner to any other owner or any other person without the prior written consent of the owner whose information is requested.

4. Before obtaining the written consent of an owner pursuant to subsection 3, a manager or a board shall provide the owner with:
   (a) The option to limit the information about the owner that may be published or furnished to any other owner or any other person:
      (1) To exclusively the owner's name and mailing address; and
      (2) For use only in legitimate matters of business of the association.
   (b) The following written disclosure:
      BY GIVING YOUR CONSENT TO PUBLISH OR FURNISH INFORMATION ABOUT YOU FOR PURPOSES OTHER THAN LEGITIMATE MATTERS OF BUSINESS OF THE ASSOCIATION, THE INFORMATION COULD BE USED FOR COMMERCIAL OR OTHER PURPOSES.

5. The provisions of this section:
   (a) Do not restrict the use by a manager or a board of information about an owner in the performance of their respective duties under the declaration of a time share plan or as otherwise required by law.
   (b) Supersede any provisions of chapter 82 of NRS to the contrary.

Sec. 3.

1. A manager or, if there is no manager, the board shall:
   (a) Establish reasonable procedures by which owners may:
      (1) Solicit votes or proxies from other owners; and
      (2) Provide information to other owners with respect to legitimate matters of business of the association.
   (b) Mail to all persons included in the list of owners materials provided by an owner upon the request of that owner if the purpose of the mailing is to advance legitimate matters of business of the association, including, without limitation, a solicitation of a proxy for any purpose, provided that the owner who requests the mailing:
      (1) Provides to the manager or board a separate copy of the materials for each of the owners on the list or, if the mailing is to be transmitted electronically, a single copy of the materials in an electronic format; and
      (2) Pays the association the actual costs of the mailing before the mailing.

2. The board is responsible for determining whether a mailing requested pursuant to this section advances legitimate matters of business of the association.

3. The manager or board, as applicable, may determine the manner in which a mailing may be accomplished.
4. For the purposes of this section, "mail" and "mailing" include, without limitation, a distribution made by electronic or similar means, such as the transmission of electronic mail as defined in NRS 41.715.

Sec. 4. NRS 119A.560 is hereby amended to read as follows:

119A.560 1. The power of sale may not be exercised until:
   (a) The developer or the association, its agent or attorney has first executed and caused to be recorded with the recorder of the county wherein the project is located a notice of default and election to sell the time share or cause its sale to satisfy the assessment lien, and
   (b) The owner or his or her successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement for 60 days computed as prescribed in subsection 2.

2. The 60-day period provided in subsection 1 begins on the first day following the day upon which the notice of default and election to sell is recorded and a copy of the notice is mailed by certified or registered mail with postage prepaid to the owner or to his or her successor in interest at the owner's address if that address is known, otherwise to the address of the project. The notice must describe the deficiency in payment.

3. The developer or the association, its agent or attorney shall, after expiration of the 60-day period and before selling the time share, give notice of the time and place of the sale in the manner and for a time not less than that required for the sale of real property upon execution, except that:

   (a) A copy of the notice of sale must be mailed on or before the first publication or posting required by NRS 21.130 by certified or registered mail with postage prepaid to the owner or to his or her successor in interest at the owner's address if that address is known, otherwise to the address of the project.

   (b) In lieu of publishing a copy of the notice of sale in a newspaper pursuant to the provisions of NRS 21.130, the notice of sale may be given by posting a copy of the notice and a declaration pursuant to NRS 53.045 in a form prescribed by the Division pursuant to subsection 6 for 3 successive weeks on an Internet website and publishing three times, once a week for 3 successive weeks, in a newspaper, if there is one in the county, a statement, in at least 10-point bold type, which includes, without limitation:

   (1) A statement that the notice of sale for the foreclosure of the time share is posted on an Internet website;

   (2) The Internet address where the notice is posted; and

   (3) The name and street address of the property in which the time share is located.

4. The sale may be made at the office of the developer or the association if the notice so provided, whether the project is located within the same county as the office of the developer or the association or not.

5. Every sale made under the provisions of NRS 119A.550 vests in the purchaser the title of the owner without equity or right of redemption.
6. The Division shall prepare a form for a declaration pursuant to NRS 53.045 that a developer or association must post on an Internet website with a notice of sale pursuant to paragraph (b) of subsection 3. (Deleted by amendment.)

Sec. 5. NRS 107.080 is hereby amended to read as follows:

107.080  1. Except as otherwise provided in NRS 107.085 and 107.086, if any transfer in trust of any estate in real property is made after March 29, 1927, to secure the performance of an obligation or the payment of any debt, a power of sale is hereby conferred upon the trustee to be exercised after a breach of the obligation for which the transfer is security.

2. The power of sale must not be exercised, however, until:

(a) Except as otherwise provided in paragraph (b), in the case of any trust agreement coming into force:

(1) On or after July 1, 1949, and before July 1, 1957, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period of 15 days, computed as prescribed in subsection 3, failed to make good the deficiency in performance or payment;

(2) On or after July 1, 1957, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period of 35 days, computed as prescribed in subsection 3, failed to make good the deficiency in performance or payment;

(b) In the case of any trust agreement which concerns owner-occupied housing as defined in NRS 107.086, the grantor, the person who holds the title of record, a beneficiary under a subordinate deed of trust or any other person who has a subordinate lien or encumbrance of record on the property has, for a period that commences in the manner and subject to the requirements described in subsection 3 and expires 5 days before the date of sale, failed to make good the deficiency in performance or payment;

(c) The beneficiary, the successor in interest of the beneficiary or the trustee first executes and causes to be recorded in the office of the recorder of the county wherein the trust property, or some part thereof, is situated a notice of the breach and of the election to sell or cause to be sold the property to satisfy the obligation, and

(d) Not less than 3 months have elapsed after the recording of the notice.

3. The 15- or 35-day period provided in paragraph (a) of subsection 2, or the period provided in paragraph (b) of subsection 2, commences on the first day following the day upon which the notice of default and election to sell is recorded in the office of the county recorder of the county in which the property is located and a copy of the notice of default and election to sell is mailed by registered or certified mail, return receipt requested and with postage prepaid to the grantor or, to the person who holds the title of record on the date the notice of default and election to sell is recorded, and, if the
property is operated as a facility licensed under chapter 449 of NRS, to the State Board of Health, at their respective addresses, if known, otherwise to the address of the trust property. The notice of default and election to sell must:

(a) Describe the deficiency in performance or payment and may contain a notice of intent to declare the entire unpaid balance due if acceleration is permitted by the obligation secured by the deed of trust, but acceleration must not occur if the deficiency in performance or payment is made good and any costs, fees and expenses incident to the preparation or recordation of the notice and incident to the making good of the deficiency in performance or payment are paid within the time specified in subsection 2; and

(b) If the property is a residential foreclosure, comply with the provisions of NRS 107.087.

4. The trustee, or other person authorized to make the sale under the terms of the trust deed or transfer in trust, shall, after expiration of the 3-month period following the recording of the notice of breach and election to sell, and before the making of the sale, give notice of the time and place thereof by recording the notice of sale and by:

(a) Providing the notice to each trustor, any other person entitled to notice pursuant to this section and, if the property is operated as a facility licensed under chapter 449 of NRS, the State Board of Health, by personal service or by mailing the notice by registered or certified mail to the last known address of the trustor and any other person entitled to such notice pursuant to this section;

(b) Posting a similar notice particularly describing the property, for 20 days successively, in three public places of the township or city where the property is situated and where the property is to be sold;

(c) Publishing a copy of the notice three times, once each week for 3 consecutive weeks, in a newspaper of general circulation in the county where the property is situated; or, if the property is a time share, by posting a copy of the notice on an Internet website and publishing a statement pursuant to the provisions of subsection 3 of NRS 119A.560; and

(d) If the property is a residential foreclosure, complying with the provisions of NRS 107.087.

5. Every sale made under the provisions of this section and other sections of this chapter vests in the purchaser the title of the grantor and any successors in interest without equity or right of redemption. A sale made pursuant to this section may be declared void by any court of competent jurisdiction in the county where the sale took place if:

(a) The trustee or other person authorized to make the sale does not substantially comply with the provisions of this section or any applicable provision of NRS 107.086 and 107.087;

(b) Except as otherwise provided in subsection 6, an action is commenced in the county where the sale took place within 90 days after the date of the sale; and
(c) A notice of lis pendens providing notice of the pendency of the action is recorded in the office of the county recorder of the county where the sale took place within 30 days after commencement of the action.

6. If proper notice is not provided pursuant to subsection 2 or paragraph (a) of subsection 4 to the grantor, to the person who holds the title of record on the date the notice of default and election to sell is recorded, to each trustor or to any other person entitled to such notice, the person who did not receive such proper notice may commence an action pursuant to subsection 5 within 120 days after the date on which the person received actual notice of the sale.

7. The sale of a lease of a dwelling unit of a cooperative housing corporation vests in the purchaser title to the shares in the corporation which accompany the lease.

8. After a sale of property is conducted pursuant to this section, the trustee shall:

(a) Within 30 days after the date of the sale, record the trustee’s deed upon sale in the office of the county recorder of the county in which the property is located; or

(b) Within 20 days after the date of the sale, deliver the trustee’s deed upon sale to the successful bidder. Within 10 days after the date of delivery of the deed by the trustee, the successful bidder shall record the trustee’s deed upon sale in the office of the county recorder of the county in which the property is located.

9. If the successful bidder fails to record the trustee’s deed upon sale pursuant to paragraph (b) of subsection 8, the successful bidder:

(a) Is liable in a civil action to any party that is a senior lienholder against the property that is the subject of the sale in a sum of up to $500 and for reasonable attorney’s fees and the costs of bringing the action; and

(b) Is liable in a civil action for any actual damages caused by the failure to comply with the provisions of subsection 8 and for reasonable attorney’s fees and the costs of bringing the action.

10. The county recorder shall, in addition to any other fee, at the time of recording a notice of default and election to sell collect:

(a) A fee of $150 for deposit in the State General Fund.

(b) A fee of $50 for deposit in the Account for Foreclosure Mediation, which is hereby created in the State General Fund. The Account must be administered by the Court Administrator, and the money in the Account may be expended only for the purpose of supporting a program of foreclosure mediation established by Supreme Court Rule.

The fees collected pursuant to this subsection must be paid over to the county treasurer by the county recorder on or before the fifth day of each month for the preceding calendar month, and, except as otherwise provided in this subsection, must be placed to the credit of the State General Fund or the Account as prescribed pursuant to this subsection. The county recorder may direct that 1.5 percent of the fees collected by the county recorder be
transferred into a special account for use by the office of the county recorder. The county treasurer shall, on or before the 15th day of each month, remit the fees deposited by the county recorder pursuant to this subsection to the State Controller for credit to the State General Fund or the Account as prescribed in this subsection.

11. The beneficiary, the successor in interest of the beneficiary or the trustee who causes to be recorded the notice of default and election to sell shall not charge the grantor or the successor in interest of the grantor any portion of any fee required to be paid pursuant to subsection 10.

12. As used in this section, "residential foreclosure" means the sale of a single family residence under a power of sale granted by this section. As used in this subsection, "single family residence":
   (a) Means a structure that is comprised of not more than four units.
   (b) Does not include any time share or other property regulated under chapter 119A of NRS. [Deleted by amendment.]

Senator Wiener moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 200.
Motion carried.
Bill ordered transmitted to the Assembly.

Senate Bill No. 402.
The following Assembly amendment was read:
Amendment No. 1740.
"SUMMARY—Revises provisions relating to real property."
"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 \[ H \] 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:

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:

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) 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:

1. All interest accrued and unpaid prior to the time of foreclosure sale;
2. All costs and fees of such a sale;
3. All advances made with respect to the property by the beneficiary;
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 amounts constituting a lien are limited to the amount of the consideration paid by the lienholder or the predecessor of the lienholder.

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:

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

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.

Senator Wiener moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 402.

Motion carried.

Bill ordered transmitted to the Assembly.

Senate Bill No. 249.

The following Assembly amendment was read:
Amendment No. 838.

"SUMMARY—Makes various changes relating to administration of taxes on property. (BDR 32-793)"

"AN ACT relating to the taxation of property; revising the provisions governing the administration of certain exemptions from taxation, the determination of the taxable value of the community units of a common-interest community, the conversion of mobile or manufactured homes from real to personal property, the issuance of certain notices by the county assessor and county treasurer, the payment of taxes on personal property in installments, and the determination of when an overpayment of taxes on personal property will not be refunded or a deficiency in the payment of such taxes will be exempted from collection; postponing the prospective expiration of certain provisions for the funding of accounts for the acquisition and improvement of technology in the offices of county assessors and revising the authorized uses of such accounts; repealing certain requirements relating to the minimum valuation of certain land; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law provides various exemptions from property taxes for surviving spouses, persons who are blind and veterans, if the persons claiming the exemptions are bona fide residents of this State, and requires the county assessors to mail annually to each person who claims such an exemption a form for the renewal of the exemption. (NRS 361.080, 361.085, 361.090, 361.091) Section 1 of this bill clarifies that these tax exemptions do not apply to a person who holds an identification card indicating that the person is only a seasonal resident of this State, unless the person has actually resided in Nevada for at least 6 months. Sections 2-5 of this bill authorize the county assessors to provide, upon request, the forms for renewal by electronic means and to authorize the return of those forms by electronic means.

Under existing law, the taxable value of the common elements of a common-interest community must be allocated on an equal basis to each of the community units of that common-interest community. (NRS 361.233) Section 6 of this bill instead requires, under certain conditions, the allocation of that taxable value to the community units in accordance with a formula for allocation set forth in the declaration creating the common-interest community or, if there is no such declaration, in the recorded deeds for the community units.

Under existing law, a mobile or manufactured home may not be converted from real to personal property and removed from the real property to which it is affixed unless the county assessor certifies that the current taxes on that home and real property have been paid. (NRS 361.2445) Section 7 of this bill instead requires this certification from the county tax receiver.

Existing law requires each board of county commissioners to pass a resolution during each fiscal year which directs the county assessor to
prepare a secured tax roll of taxable property in the county. The resolution must further direct the county assessor to mail a copy of the secured tax roll to each taxpayer in the county and publish the secured tax roll in a newspaper of general circulation in the county. Existing law also requires the county assessor to issue certain notices indicating that the secured tax roll is complete and available for inspection. (NRS 361.300) Section 9.5 of this bill requires the county assessor to, pursuant to a resolution adopted by the board of county commissioners, additionally post the secured tax roll in certain public areas, post the secured tax roll at the office of the county assessor and publish the secured tax roll on an Internet website maintained by the county assessor or the county. In addition, section 9.5 requires that notices to the effect that the secured tax roll is complete and open for inspection also indicate the locations at which the secured tax roll is available for inspection.

Existing law requires a county tax receiver to publish certain notices of delinquent taxes in a newspaper of general circulation in the county or, if no such newspaper exists, in at least five conspicuous places in the county. (NRS 361.565) Section 11.5 of this bill requires the county tax receiver to additionally publish such notices of delinquency on an Internet website maintained by the county treasurer or the county.

Existing law authorizes a taxpayer, upon request, to pay the personal property taxes imposed on the property of a business in installments if the total taxes exceed $10,000 and certain other conditions are met. (NRS 361.483) Section 10 of this bill revises this authorization to include the taxes imposed on personal property which is not the property of a business, to require the total amount of taxes to exceed $5,000 and to allow the installment payments only if the pertinent tax bill is issued on or before September 15.

Under existing law, an overpayment of personal property taxes in an amount which is less than the average cost of collecting taxes in this State must be paid into the county general fund unless the taxpayer requests a refund within 6 months, and a deficiency in the payment of personal property taxes must be exempted from collection efforts if the deficiency is less than that average cost of collecting taxes. (NRS 361.485) Section 11 of this bill requires, when calculating the amount paid to determine the existence and amount of such an overpayment or deficiency, the inclusion of the amount of any applicable penalties paid and the amount of any applicable partial abatements of taxes.

Existing law provides various exemptions from the governmental services taxes otherwise due on vehicles of surviving spouses, persons who are blind and veterans and requires the county assessors to mail annually to each person who claims such an exemption a form for the renewal of the exemption. (NRS 371.101, 371.102, 371.103, 371.104) Sections 12-15 of
this bill authorize the county assessors to provide, upon request, the forms for renewal by electronic means.

Under existing law, 2 percent of the property taxes collected for each county on personal property and the net proceeds of mines must be deposited into an account for the acquisition and improvement of technology in the office of the county assessor. (NRS 361.530, 362.170) Section 16 of this bill provides for the continuation of this funding during the next biennium by postponing its prospective expiration until June 30, 2013. Section 15.5 of this bill revises the authorized uses of the money in such an account.

Existing law requires persons who desire to claim a property tax exemption for personal property which is in transit through this State to make their claims in the form and manner prescribed by the regulations of the Department of Taxation. (NRS 361.170) Existing law also requires county assessors to assess all patented land and land held under a state land contract at a minimum rate of $1.25 per acre and requires county assessors to pay the difference between that amount and the amount of any lower assessments of that land. (NRS 361.230) Section 17 of this bill repeals these requirements.

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

Section 1. NRS 361.015 is hereby amended to read as follows:

361.015 "Bona fide resident" means a person who has:

1. Established:

(a) Has actually resided in this state for at least 6 months; or

(b) Has a valid driver's license or identification card issued by the Department of Motor Vehicles of this state, other than such an identification card which indicates that the person is a seasonal resident.

Sec. 2. NRS 361.080 is hereby amended to read as follows:

361.080 1. The property of surviving spouses, not to exceed the amount of $1,000 assessed valuation, is exempt from taxation, but no such exemption may be allowed to anyone but a bona fide resident of this State, and must be allowed in but one county in this State to the same family.

2. For the purpose of this section, property in which the surviving spouse has any interest shall be deemed the property of the surviving spouse.

3. The person claiming such an exemption must file with the county assessor an affidavit declaring that the person is a bona fide resident of this State and that the exemption has been claimed in no other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may
provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.

4. A surviving spouse is not entitled to the exemption provided by this section in any fiscal year beginning after any remarriage, even if the remarriage is later annulled.

5. If any person files a false affidavit or provides false proof to the county assessor or a notary public and, as a result of the false affidavit or false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.

6. Beginning with the 2005-2006 Fiscal Year, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.

Sec. 3. NRS 361.085 is hereby amended to read as follows:

361.085 1. The property of each person who is blind, not to exceed the amount of $3,000 of assessed valuation, is exempt from taxation, including community property to the extent only of the interest therein of the person who is blind, but no such exemption may be allowed to anyone but a bona fide resident of this State, and must be allowed in but one county in this State on account of the same person.

2. The person claiming such an exemption must file with the county assessor an affidavit declaring that the person is a bona fide resident of the State of Nevada who meets all the other requirements for the exemption and that the exemption is not claimed in any other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.

3. Upon first claiming the exemption in a county the claimant shall furnish to the assessor a certificate of a licensed physician setting forth that the physician has examined the claimant and has found him or her to be a person who is blind.

4. If any person files a false affidavit or provides false proof to the county assessor or a notary public and, as a result of the false affidavit or
false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.

5. Beginning with the 2005-2006 Fiscal Year, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.

6. As used in this section, "person who is blind" includes any person whose visual acuity with correcting lenses does not exceed 20/200 in the better eye, or whose vision in the better eye is restricted to a field which subtends an angle of not greater than 20°.

Sec. 4. NRS 361.090 is hereby amended to read as follows:

361.090 1. The property, to the extent of $2,000 assessed valuation, of any actual bona fide resident of the State of Nevada who:

(a) Has served a minimum of 90 continuous days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1975, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or between December 20, 1989, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;
(b) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; or
(c) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty, and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. For the purpose of this section, the first $2,000 assessed valuation of property in which an applicant has any interest shall be deemed the property of the applicant.

3. The exemption may be allowed only to a claimant who files an affidavit with his or her claim for exemption on real property pursuant to NRS 361.155. The affidavit may be filed at any time by a person claiming exemption from taxation on personal property.

4. The affidavit must be made before the county assessor or a notary public and filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada who meets all the other
requirements of subsection 1 and that the exemption is not claimed in any other county in this State. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for:

(a) The renewal of the exemption; and
(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.

5. Persons in actual military service are exempt during the period of such service from filing the annual forms for renewal of the exemption, and the county assessors shall continue to grant the exemption to such persons on the basis of the original affidavits filed. In the case of any person who has entered the military service without having previously made and filed an affidavit of exemption, the affidavit may be filed in his or her behalf during the period of such service by any person having knowledge of the facts.

6. Before allowing any veteran's exemption pursuant to the provisions of this chapter, the county assessor shall require proof of status of the veteran, and for that purpose shall require production of an honorable discharge or certificate of satisfactory service or a certified copy thereof, or such other proof of status as may be necessary.

7. If any person files a false affidavit or produces false proof to the county assessor or a notary public and, as a result of the false affidavit or false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.

8. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.

Sec. 5. NRS 361.091 is hereby amended to read as follows:

361.091 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his or her surviving spouse, is entitled to an exemption.

2. The amount of exemption is based on the total percentage of permanent service-connected disability. The maximum allowable exemption
for total permanent disability is the first $20,000 assessed valuation. A person with a permanent service-connected disability of:

(a) Eighty to 99 percent, inclusive, is entitled to an exemption of $15,000 assessed value.
(b) Sixty to 79 percent, inclusive, is entitled to an exemption of $10,000 assessed value.

For the purposes of this section, any property in which an applicant has any interest is deemed to be the property of the applicant.

3. The exemption may be allowed only to a claimant who has filed an affidavit with his or her claim for exemption on real property pursuant to NRS 361.155. The affidavit may be made at any time by a person claiming an exemption from taxation on personal property.

4. The affidavit must be made before the county assessor or a notary public and be filed with the county assessor. It must state that the affiant is a bona fide resident of the State of Nevada, that the affiant meets all the other requirements of subsection 1 and that the exemption is not claimed in any other county within this State. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for:

(a) The renewal of the exemption; and
(b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.

5. Before allowing any exemption pursuant to the provisions of this section, the county assessor shall require proof of the applicant's status, and for that purpose shall require the applicant to produce an original or certified copy of:

(a) An honorable discharge or other document of honorable separation from the Armed Forces of the United States which indicates the total percentage of his or her permanent service-connected disability;
(b) A certificate of satisfactory service which indicates the total percentage of his or her permanent service-connected disability; or
(c) A certificate from the Department of Veterans Affairs or any other military document which shows that he or she has incurred a permanent service-connected disability and which indicates the total percentage of that disability, together with a certificate of honorable discharge or satisfactory service.

6. A surviving spouse claiming an exemption pursuant to this section must file with the county assessor an affidavit declaring that:
The surviving spouse was married to and living with the veteran who incurred a permanent service-connected disability for the 5 years preceding his or her death;

(b) The veteran was eligible for the exemption at the time of his or her death or would have been eligible if the veteran had been a resident of the State of Nevada;

(c) The surviving spouse has not remarried; and

(d) The surviving spouse is a bona fide resident of the State of Nevada.

The affidavit required by this subsection is in addition to the certification required pursuant to subsections 4 and 5. After the filing of the original affidavit required by this subsection, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail. The county assessor may authorize the return of the form by electronic means in accordance with the provisions of chapter 719 of NRS.

7. If a veteran or the surviving spouse of a veteran submits, as proof of disability, documentation that indicates a percentage of permanent service-connected disability for more than one permanent service-connected disability, the amount of the exemption must be based on the total of those combined percentages, not to exceed 100 percent.

8. If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 361.090.

9. If any person files a false affidavit or produces false proof to the county assessor or a notary public and, as a result of the false affidavit or false proof, the person is allowed a tax exemption to which the person is not entitled, the person is guilty of a gross misdemeanor.

10. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsection 2 must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from July 2003 to the July preceding the fiscal year for which the adjustment is calculated. The Department shall provide to each county assessor the adjusted amount, in writing, on or before September 30 of each year.

Sec. 6. NRS 361.233 is hereby amended to read as follows:

361.233 1. Notwithstanding any other provision of law:

(a) Any ad valorem taxes or special assessments assessed upon any real property within a common-interest community:

(1) Must be assessed upon the community units and not upon the common-interest community as a whole; and

(2) Must not be assessed upon any common elements of the common-interest community.
(b) Except as otherwise provided in subsection 2, the taxable value of each parcel:

(1) Composed solely of a community unit must consist of:
   (I) The taxable value of that community unit; and
   (II) A percentage of the taxable value of all the common elements of
        that common-interest community which is equal to 1 divided by the total
        number of community units in that common-interest community; or
   (2) Composed of a community unit and any portion of the common
       elements of the common-interest community must consist of:
       (I) The taxable value of that community unit only; and
       (II) A percentage of the taxable value of all the common elements of
            that common-interest community which is equal to 1 divided by the total
            number of community units in that common-interest community.

2. If the declaration for a common-interest community or, in the absence of such a declaration, the recorded deeds for the community units of a common-interest community:

   (a) Provide for the allocation to the community units of, except for any
       minor variations because of rounding, all the interests in the common
       elements of the common-interest community; or
   (b) Do not provide for the allocation described in paragraph (a) but
       provide for the allocation to the community units of, except for any minor
       variations because of rounding, all the liabilities for the common expenses
       of the common-interest community,

       and the formula for allocation provided in the declaration or deeds
       differs from the formula for allocation set forth in sub-subparagraph (II)
       of subparagraph (1) of paragraph (b) of subsection 1 and sub-subparagraph (II)
       of subparagraph (2) of paragraph (b) of subsection 1, those sub-subparagraphs
       do not apply to the common-interest community, and the taxable value of the
       common elements of the common-interest community must be allocated to the
       community units in accordance with the formula for allocation provided in the
       declaration or deeds.

3. The Nevada Tax Commission shall adopt such regulations as it
   determines to be appropriate to ensure that this section is carried out in a
   uniform and equal manner that does not result in the double taxation of any
   common elements of a common-interest community.

4. For the purposes of this section:

   (a) "Ad valorem tax" means an ad valorem tax levied by any
       governmental entity or political subdivision in this State on or after
       July 1, 2006.

   (b) "Common elements" means the physical portion of a common-interest
       community, including, without limitation, any landscaping, swimming pools,
       fitness centers, community centers, maintenance and service areas, parking
       areas, hallways, elevators and mechanical rooms, which is:
(1) Intended for the general benefit of and potential use by all the owners of the community units and their invitees; and

(2) Owned:
   (I) By the community association;
   (II) By any person on behalf or for the benefit of the owners of the community units; or
   (III) Jointly by the owners of the community units.

(c) "Common-interest community" means real property with respect to which a person, by virtue of his or her ownership of a community unit, is obligated to pay for any real property other than that unit. The term includes a common-interest community governed by the provisions of chapter 116 of NRS, a condominium hotel governed by the provisions of chapter 116B of NRS, a condominium project governed by the provisions of chapter 117 of NRS and any time-share project, planned unit development or other real property which is organized as a common-interest community in this State.

(d) "Community association" means an association whose membership:
   (1) Consists exclusively of the owners of the community units or their elected or appointed representatives; and
   (2) Is a required condition of the ownership of a community unit.

(e) "Community unit" means a physical portion of a common-interest community, other than the common elements, which is:
   (1) Designated for separate ownership or occupancy; and
   (2) Intended for:
      (I) Residential use by the owner of that unit and his or her invitees; or
      (II) Commercial use by the owner of that unit for the generation of revenue from any persons other than the owners of community units in that common-interest community and their invitees.

(f) "Declaration" means any instrument, however denominated, that creates a common-interest community, including any amendment to an instrument.

(g) "Special assessment" means a special assessment levied by any governmental entity or political subdivision in this State on or after July 1, 2006.

Sec. 7. NRS 361.2445 is hereby amended to read as follows:

361.2445 1. A mobile or manufactured home which has been converted to real property pursuant to NRS 361.244 may not be removed from the real property to which it is affixed unless, at least 30 days before removing the mobile or manufactured home:

(a) The owner:
   (1) Files with the Division an affidavit stating that the sole purpose for converting the mobile or manufactured home from real to personal property is to effect a transfer of the title to the mobile or manufactured home;
   (2) Files with the Division the affidavit of consent to the removal of the mobile or manufactured home of each person who holds any legal interest in the real property to which the mobile or manufactured home is affixed; and
(3) Gives written notice to the county assessor of the county in which the real property is situated; and

(b) The county assessor or tax receiver certifies in writing that all taxes for the fiscal year on the mobile or manufactured home and the real property to which the mobile or manufactured home is affixed have been paid.

2. The county assessor shall not remove a mobile or manufactured home from the tax rolls until:

(a) The county assessor has received verification that there is no security interest in the mobile or manufactured home or the holders of security interests have agreed in writing to the conversion of the mobile or manufactured home to personal property; and

(b) An affidavit of conversion of the mobile or manufactured home from real to personal property has been recorded in the county recorder's office of the county in which the real property to which the mobile or manufactured home was affixed is situated.

3. A mobile or manufactured home which is physically removed from real property pursuant to this section shall be deemed to be personal property immediately upon its removal.

4. The Department shall adopt:

(a) Such regulations as are necessary to carry out the provisions of this section; and

(b) A standard form for the affidavits required by this section.

5. Before the owner of a mobile or manufactured home that has been converted to personal property pursuant to this section may transfer ownership of the mobile or manufactured home, he or she must obtain a certificate of ownership from the Division.

6. For the purposes of this section, the removal of a mobile or manufactured home from real property includes the detachment of the mobile or manufactured home from its foundation, other than temporarily for the purpose of making repairs or improvements to the mobile or manufactured home or the foundation.

7. An owner who physically removes a mobile or manufactured home from real property in violation of this section is liable for all legal costs and fees, plus the actual expenses, incurred by a person who holds any interest in the real property to restore the real property to its former condition. Any judgment obtained pursuant to this section may be recorded as a lien upon the mobile or manufactured home so removed.

8. As used in this section:

(a) "Division" means the Manufactured Housing Division of the Department of Business and Industry.

(b) "Owner" means any person who holds an interest in the mobile or manufactured home or the real property to which the mobile or manufactured home is affixed evidenced by a conveyance or other instrument which transfers that interest to him or her and is recorded in the office of the county recorder of the county in which the mobile or manufactured home and real
property are situated, but does not include the owner or holder of a right-of-way, easement or subsurface property right appurtenant to the real property.

Sec. 8. (Deleted by amendment.)

Sec. 9. (Deleted by amendment.)

Sec. 9.5. **NRS 361.300 is hereby amended to read as follows:**

361.300 1. On or before January 1 of each year, the county assessor shall transmit to the county clerk, post at the front door of the courthouse and publish in a newspaper published in the county a notice to the effect that the secured tax roll is completed and open for inspection by interested persons of the county. *A notice issued pursuant to this subsection must include a statement that the secured tax roll is available for inspection as specified in paragraphs (b), (c), (d) and (e) of subsection 3. The statement published in the newspaper must be displayed in the format used for advertisements and printed in at least 10-point bold type or font.*

2. If the county assessor fails to complete the assessment roll in the manner and at the time specified in this section, the board of county commissioners shall not allow the county assessor a salary or other compensation for any day after January 1 during which the roll is not completed, unless excused by the board of county commissioners.

3. Except as otherwise provided in subsection 4, each board of county commissioners shall by resolution, before December 1 of any fiscal year in which assessment is made, require the county assessor to prepare a list of all the taxpayers on the secured roll in the county and the total valuation of property on which they severally pay taxes. *A resolution adopted pursuant to this subsection must also direct the county assessor:*

   (a) to cause such list and valuations to be printed:

   (b) to cause such list and valuations to be published Published once on or before January 1 of the fiscal year in which assessment is made to each taxpayer in the county; 

   (c) to be posted in a public area of the public libraries and branch libraries located in the county and in a public area of the county courthouse and the county office building in which the county assessor's office is located;

   (d) to be posted at the office of the county assessor; and

   (e) Published on a website or other Internet site that is operated or administered by or on behalf of the county or that is maintained by the county assessor or, if the county assessor does not maintain an Internet website, on an Internet website that is maintained by the county.

4. A board of county commissioners may, in the resolution required by subsection 3, authorize the county assessor not to deliver or mail the list, as
provided in paragraph (a) of subsection 3, to taxpayers whose property is assessed at $1,000 or less and direct the county assessor to mail to each such taxpayer a statement of the amount of his or her assessment. Failure by a taxpayer to receive such a mailed statement does not invalidate any assessment.

5. The several boards of county commissioners in the State may allow the bill contracted with their approval by the county assessor under this section on a claim to be allowed and paid as are other claims against the county.

6. Whenever:
   (a) Any property on the secured tax roll is appraised or reappraised pursuant to NRS 361.260, the county assessor shall, on or before December 18 of the fiscal year in which the appraisal or reappraisal is made, deliver or mail to each owner of such property a written notice stating the assessed valuation of the property as determined from the appraisal or reappraisal. A notice issued pursuant to this paragraph must include a statement that the secured tax roll is available for inspection as specified in paragraphs (b), (c), (d) and (e) of subsection 3. If such a statement is published in a newspaper, the statement must be displayed in the format used for advertisements and printed in at least 10-point bold type or font.
   (b) Any personal property billed on the unsecured tax roll is appraised or reappraised pursuant to NRS 361.260, the delivery or mailing to the owner of such property of an individual tax bill or individual tax notice for the property shall be deemed to constitute adequate notice to the owner of the assessed valuation of the property as determined from the appraisal or reappraisal.

7. If the secured tax roll is changed pursuant to NRS 361.310, the county assessor shall mail an amended notice of assessed valuation to each affected taxpayer. The notice must include:
   (a) The information set forth in subsection 6 for the new assessed valuation.
   (b) The dates for appealing the new assessed valuation.

8. Failure by the taxpayer to receive a notice required by this section does not invalidate the appraisal or reappraisal.

9. In addition to complying with subsections 6 and 7, a county assessor shall:
   (a) Provide without charge a copy of a notice of assessed valuation to the owner of the property upon request.
   (b) Post the information included in a notice of assessed valuation on a website or other Internet site, if any, that is operated or administered by or on behalf of the county or the county assessor.

Sec. 10. NRS 361.483 is hereby amended to read as follows:

361.483 1. Except as otherwise provided in subsection 6 of this section and NRS 361.736 to 361.7398, inclusive, taxes assessed upon the real
property tax roll and upon mobile or manufactured homes are due on the third Monday of August.

2. Taxes assessed upon the real property tax roll may be paid in four approximately equal installments if the taxes assessed on the parcel exceed $100.

3. Except as otherwise provided in this section, taxes assessed upon a mobile or manufactured home may be paid in four installments if the taxes assessed exceed $100.

4. If a taxpayer owns at least 25 mobile or manufactured homes in a county that are leased for commercial purposes, and those mobile or manufactured homes have not been converted to real property pursuant to NRS 361.244, taxes assessed upon those homes may be paid in four installments if, not later than July 31, the taxpayer returns to the county assessor the written statement of personal property required pursuant to NRS 361.265.

5. Except as otherwise provided in this section and NRS 361.505, taxes assessed upon personal property may be paid in four approximately equal installments if:
   (a) The total personal property taxes assessed exceed $10,000;
   (b) Not later than July 31, the taxpayer returns to the county assessor the written statement of personal property required pursuant to NRS 361.265;
   (c) The taxpayer files with the county assessor, or county treasurer if the county treasurer has been designated to collect taxes, a written request to be billed in quarterly installments and includes with the request a copy of the written statement of personal property required pursuant to NRS 361.265;
   (d) The owner of the personal property assessed has paid all the personal property taxes assessed on the property without accruing penalties for the immediately preceding 2 fiscal years in any county in the State; and
   (e) Not later than September 15, the county tax receiver issues to the taxpayer an individual tax bill for the personal property which itemizes the dates on which the installments are due. If that tax bill is issued on or after August 1 and on or before September 15, the first two installments are due on the first Monday of October, the third installment on the first Monday of January, and the fourth installment on the first Monday of March.

6. Except as otherwise provided in subsection 5, if a person elects to pay in installments, the first installment is due on the third Monday of August, the second installment on the first Monday of October, the third installment on the first Monday of January, and the fourth installment on the first Monday of March.

7. If any person charged with taxes which are a lien on real property fails to pay:
   (a) Any one installment of the taxes on or within 10 days following the day the taxes become due, there must be added thereto a penalty of 4 percent.
(b) Any two installments of the taxes, together with accumulated penalties, on or within 10 days following the day the later installment of taxes becomes due, there must be added thereto a penalty of 5 percent of the two installments due.

(c) Any three installments of the taxes, together with accumulated penalties, on or within 10 days following the day the latest installment of taxes becomes due, there must be added thereto a penalty of 6 percent of the three installments due.

(d) The full amount of the taxes, together with accumulated penalties, on or within 10 days following the first Monday of March, there must be added thereto a penalty of 7 percent of the full amount of the taxes.

8. Any person charged with taxes which are a lien on a mobile or manufactured home who fails to pay the taxes within 10 days after an installment payment is due is subject to the following provisions:

   (a) A penalty of 10 percent of the taxes due; and
   (b) The county assessor may proceed under NRS 361.535.

9. If any property tax postponed pursuant to NRS 361.736 to 361.7398, inclusive, becomes due and payable and the person charged with that tax fails to make the required payment within 10 days after it becomes due, there must be added thereto a penalty of 7 percent of the amount of the tax that is due. If the required payment is not paid within 30 days after it becomes due, there must be added thereto all penalties and interest that would have accrued had the property tax not been postponed pursuant to NRS 361.736 to 361.7398, inclusive.

10. The ex officio tax receiver of a county shall notify each person in the county who is subject to a penalty pursuant to this section of the provisions of NRS 360.419 and 361.4835.

Sec. 11. NRS 361.485 is hereby amended to read as follows:

361.485 1. Whenever any tax is paid to the ex officio tax receiver, he or she shall appropriately record the payment and the date thereof on the tax roll contiguously with the name of the person or the description of the property liable for the taxes, and shall give a receipt for the payment if requested by the taxpayer.

2. If the assessment roll is maintained on magnetic storage files in a computer system, the requirement of subsection 1 is met if the system is capable of producing, as printed output, the assessment roll with the dates of payments shown opposite the name of the person or the description of the property liable for the taxes.

3. If the amount of taxes and penalties paid on personal property, together with the amount of any partial abatements of those taxes to which the taxpayer may be entitled:

   (a) Results in an overpayment that is less than the average cost of collecting property taxes in this State as determined by the Nevada Tax Commission, the ex officio tax receiver shall pay the amount of the overpayment into the county treasury for the benefit of the general fund of
the county, unless the taxpayer who made the overpayment requests a refund within 6 months after the original payment. All interest paid on money deposited in the county treasury pursuant to this paragraph is the property of the county.

(b) Results in a deficiency, the amount of the deficiency, other than a payment for a penalty, must be exempted from collection if the amount of the deficiency is less than the average cost of collecting property taxes in this State as determined by the Nevada Tax Commission.

4. If the amount of taxes paid on real property:

(a) Results in an overpayment that does not exceed the amount due by more than $5, the ex officio tax receiver shall pay the amount of the overpayment into the county treasury for the benefit of the general fund of the county, unless the taxpayer who made the overpayment requests a refund within 6 months after the original payment. All interest paid on money deposited in the county treasury pursuant to this paragraph is the property of the county.

(b) Results in a deficiency that is $5 or less than the amount due, the ex officio tax receiver may exempt the amount of the deficiency from collection.

Sec. 11.5. NRS 361.565 is hereby amended to read as follows:

361.565 1. Except as otherwise provided in subsection 3, if the tax remains delinquent 30 days after the first Monday in April of each year, the tax receiver of the county shall cause notice of the delinquency to be published:

(a) At least once in the newspaper which publishes the list of taxpayers pursuant to NRS 361.300. If there is no newspaper in the county, the notice must be posted in at least five conspicuous places within the county.

(b) On an Internet website that is maintained by the county treasurer or, if the county treasurer does not maintain an Internet website, on an Internet website maintained by the county.

2. The cost of publication in each case must be charged to the delinquent taxpayer, and is not a charge against the State or county. The publication must be made at not more than legal rates.

3. If the delinquent property consists of unimproved real estate assessed at a sum not exceeding $25, the notice must be given by posting a copy of the notice in three conspicuous places within the county without publishing the notice in a newspaper.

4. The notice must contain the information required for a notice of delinquency pursuant to subsection 2 of NRS 361.5648.

Sec. 12. NRS 371.101 is hereby amended to read as follows:

371.101 1. Vehicles registered by surviving spouses, not to exceed the amount of $1,000 determined valuation, are exempt from taxation, but the exemption must not be allowed to anyone but actual bona fide residents of this State, and must be filed in but one county in this State to the same family.
2. For the purpose of this section, vehicles in which the surviving spouse has any interest shall be deemed to belong entirely to that surviving spouse.

3. The person claiming the exemption shall file with the Department in the county where the exemption is claimed an affidavit declaring his or her residency and that the exemption has been claimed in no other county in this State for that year. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.

4. A surviving spouse is not entitled to the exemption provided by this section in any fiscal year beginning after any remarriage, even if the remarriage is later annulled.

5. Beginning with the 2005-2006 Fiscal Year, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from December 2003 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 13. NRS 371.102 is hereby amended to read as follows:

371.102 1. Vehicles registered by a person who is blind, not to exceed the amount of $3,000 determined valuation, are exempt from taxation, but the exemption must not be allowed to anyone but bona fide residents of this State, and must be filed in but one county in this State on account of that person.

2. The person claiming the exemption must file with the county assessor of the county where the exemption is claimed an affidavit declaring that the person is an actual bona fide resident of the State of Nevada, that he or she is a person who is blind and that the exemption is claimed in no other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in accordance with the provisions of chapter 719 of NRS.

3. Upon first claiming the exemption in a county, the claimant shall furnish to the county assessor a certificate of a physician licensed under the laws of this State setting forth that the physician has examined the claimant and has found him or her to be a person who is blind.
4. Beginning with the 2005-2006 Fiscal Year, the monetary amount in subsection 1 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from December 2003 to the December preceding the fiscal year for which the adjustment is calculated.

5. As used in this section, "person who is blind" includes any person whose visual acuity with correcting lenses does not exceed 20/200 in the better eye, or whose vision in the better eye is restricted to a field which subtends an angle of not greater than 20 degrees.

Sec. 14. NRS 371.103 is hereby amended to read as follows:

371.103 1. Vehicles, to the extent of $2,000 determined valuation, registered by any actual bona fide resident of the State of Nevada who:

(a) Has served a minimum of 90 days on active duty, who was assigned to active duty at some time between April 21, 1898, and June 15, 1903, or between April 6, 1917, and November 11, 1918, or between December 7, 1941, and December 31, 1946, or between June 25, 1950, and May 7, 1951, or between September 26, 1982, and December 1, 1987, or between October 23, 1983, and November 21, 1983, or between December 20, 1989, and January 31, 1990, or between August 2, 1990, and April 11, 1991, or between December 5, 1992, and March 31, 1994, or between November 20, 1995, and December 20, 1996;

(b) Has served a minimum of 90 continuous days on active duty none of which was for training purposes, who was assigned to active duty at some time between January 1, 1961, and May 7, 1975;

(c) Has served on active duty in connection with carrying out the authorization granted to the President of the United States in Public Law 102-1; or

(d) Has served on active duty in connection with a campaign or expedition for service in which a medal has been authorized by the Government of the United States, regardless of the number of days served on active duty, and who received, upon severance from service, an honorable discharge or certificate of satisfactory service from the Armed Forces of the United States, or who, having so served, is still serving in the Armed Forces of the United States, is exempt from taxation.

2. For the purpose of this section, the first $2,000 determined valuation of vehicles in which such a person has any interest shall be deemed to belong to that person.

3. A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he or she is an actual bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is claimed in no other county in this State. The affidavit must be made before the county assessor or a notary public. After the filing of the original affidavit, the county assessor shall , except as otherwise provided in this subsection, mail a form for:
(a) The renewal of the exemption; and
(b) The designation of any amount to be credited to the Gift Account for Veterans’ Homes established pursuant to NRS 417.145, to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.

4. Persons in actual military service are exempt during the period of such service from filing annual affidavits of exemption and the Department shall grant exemptions to those persons on the basis of the original affidavits filed. In the case of any person who has entered the military service without having previously made and filed an affidavit of exemption, the affidavit may be filed in his or her behalf during the period of such service by any person having knowledge of the facts.

5. Before allowing any veteran’s exemption pursuant to the provisions of this chapter, the Department shall require proof of status of the veteran, and for that purpose shall require production of an honorable discharge or certificate of satisfactory service or a certified copy thereof, or such other proof of status as may be necessary.

6. If any person files a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof a tax exemption is allowed to a person not entitled to the exemption, the person is guilty of a gross misdemeanor.

7. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from December 2003 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 15. NRS 371.104 is hereby amended to read as follows:

371.104 1. A bona fide resident of the State of Nevada who has incurred a permanent service-connected disability and has been honorably discharged from the Armed Forces of the United States, or his or her surviving spouse, is entitled to a veteran’s exemption from the payment of governmental services taxes on vehicles of the following determined valuations:

(a) If he or she has a disability of 100 percent, the first $20,000 of determined valuation.
(b) If he or she has a disability of 80 to 99 percent, inclusive, the first $15,000 of determined valuation.
(c) If he or she has a disability of 60 to 79 percent, inclusive, the first $10,000 of determined valuation.

2. For the purpose of this section, the first $20,000 of determined valuation of vehicles in which an applicant has any interest shall be deemed to belong entirely to that person.
3. A person claiming the exemption shall file annually with the Department in the county where the exemption is claimed an affidavit declaring that he or she is a bona fide resident of the State of Nevada who meets all the other requirements of subsection 1 and that the exemption is claimed in no other county within this State. After the filing of the original affidavit, the county assessor shall, except as otherwise provided in this subsection, mail a form for:
   (a) The renewal of the exemption; and
   (b) The designation of any amount to be credited to the Gift Account for Veterans' Homes established pursuant to NRS 417.145, to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.

4. Before allowing any exemption pursuant to the provisions of this section, the Department shall require proof of the applicant's status, and for that purpose shall require production of:
   (a) A certificate from the Department of Veterans Affairs that the veteran has incurred a permanent service-connected disability, which shows the percentage of that disability; and
   (b) Any one of the following:
      (1) An honorable discharge;
      (2) A certificate of satisfactory service; or
      (3) A certified copy of either of these documents.

5. A surviving spouse claiming an exemption pursuant to this section must file with the Department in the county where the exemption is claimed an affidavit declaring that:
   (a) The surviving spouse was married to and living with the veteran with a disability for the 5 years preceding his or her death;
   (b) The veteran with a disability was eligible for the exemption at the time of his or her death; and
   (c) The surviving spouse has not remarried.

The affidavit required by this subsection is in addition to the certification required pursuant to subsections 3 and 4. After the filing of the original affidavit required by this subsection, the county assessor shall, except as otherwise provided in this subsection, mail a form for renewal of the exemption to the person each year following a year in which the exemption was allowed for that person. The form must be designed to facilitate its return by mail by the person claiming the exemption. If so requested by the person claiming the exemption, the county assessor may provide the form to the person by electronic means in lieu of by mail.

6. If a tax exemption is allowed under this section, the claimant is not entitled to an exemption under NRS 371.103.
7. If any person makes a false affidavit or produces false proof to the Department, and as a result of the false affidavit or false proof the person is allowed a tax exemption to which he or she is not entitled, the person is guilty of a gross misdemeanor.

8. Beginning with the 2005-2006 Fiscal Year, the monetary amounts in subsections 1 and 2 must be adjusted for each fiscal year by adding to each amount the product of the amount multiplied by the percentage increase in the Consumer Price Index (All Items) from December 2003 to the December preceding the fiscal year for which the adjustment is calculated.

Sec. 15.5. NRS 250.085 is hereby amended to read as follows:

250.085 1. The board of county commissioners of each county shall by ordinance create in the county general fund an account to be designated as the Account for the Acquisition and Improvement of Technology in the Office of the County Assessor.

2. The money in the Account:
   (a) Must be accounted for separately and not as a part of any other account; and
   (b) Must not be used to replace or supplant any money available from other sources to acquire technology for and improve technology used in the office of the county assessor.

3. The money in the Account must be used to acquire technology for or improve the technology used in the office of the county assessor or by another entity with operational impact on the office of the county assessor, including, without limitation, the payment of costs associated with acquiring or improving technology for converting and archiving records, purchasing hardware and software, maintaining the technology, training employees in the operation of the technology and contracting for professional services relating to the technology. [At the discretion of the county assessor, the money may be used by other county offices that do business with the county assessor.]

4. On or before July 1 of each year, the county assessor shall submit to the board of county commissioners a report of the projected expenditures of the money in the Account for the following fiscal year. Any money remaining in the Account at the end of a fiscal year that has not been committed for expenditure reverts to the county general fund.

Sec. 16. Section 57 of chapter 496, Statutes of Nevada 2005, as last amended by chapter 287, Statutes of Nevada 2009, at page 1232, is hereby amended to read as follows:

Sec. 57. 1. This section and sections 52.1 to 52.8, inclusive, of this act become effective upon passage and approval.

2. Sections 1 to 22, inclusive, 24 to 28, inclusive, 42 to 52, inclusive, and 53 to 56, inclusive, of this act become effective on July 1, 2005.

3. Sections 29 to 41, inclusive, of this act become effective:
(a) Upon passage and approval for the purpose of performing any preparatory administrative tasks that are necessary to carry out the provisions of those sections; and

(b) On July 1, 2006, for all other purposes.

4. Section 23 of this act becomes effective on July 1, 2013.

5. Section 43 of this act expires by limitation on June 30, 2013.

Sec. 17. NRS 361.170 and 361.230 are hereby repealed.

Sec. 18. The provisions of sections 1, 6 and 17 of this act do not apply to or affect the assessment of any taxes, the application or administration of any exemptions from taxation or the valuation of any property for any fiscal year beginning before July 1, 2012.

Sec. 19. 1. This section and sections 2 to 5, inclusive, 10, 11, 12, to 15, inclusive, and 16 of this act become effective upon passage and approval.

2. Sections 1, 6, 7, 9.5, 11.5, 15.5, 17 and 18 of this act become effective on July 1, 2011.

TEXT OF REPEALED SECTIONS

361.170 Claims for exemption: Requirements. Any person, copartnership, association or corporation making claim to no situs status on any property under NRS 361.160 to 361.185, inclusive, shall do so in the form and manner prescribed by the Department. All such claims shall be accompanied by a certification of the warehouse company as to the status on its books of the property involved.

361.230 Minimum valuation of patented land and land held under state land contract.

1. No patented land of any description in the State of Nevada owned by any individual, partnership, association, estate, corporation or otherwise, and no land held under any state land contract, shall be assessed for less than $1.25 per acre by the county assessors of the various counties.

2. If the county board of equalization shall ascertain that any land within its county has been assessed upon a valuation of less than $1.25 per acre, or has not been assessed at all, the board shall notify the county assessor immediately to pay into the county treasury the taxes due on such land, in such a sum as will yield the full amount of taxes due upon such land upon its true value, which valuation shall not be less than $1.25 per acre. If a county assessor fails to pay such taxes within 10 days after such notification by the county board of equalization, the district attorney shall file and prosecute diligently a suit against the county assessor and his or her surety or sureties on his or her official bond for the amount of such taxes.

Senator Leslie moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 249.

Motion carried.

Bill ordered transmitted to the Assembly.
Senate Bill No. 268.
The following Assembly amendment was read:
Amendment No. 833.

"SUMMARY—Revises provisions relating to competing for public works by design professionals (BDR 28-740)"

"AN ACT relating to public works; revising provisions relating to preferences when competing for contracts for certain public works projects; requiring a contractor to replace an unacceptable subcontractor on a public work of this State without an increase in the amount of the bid; requiring a prime contractor to forfeit a portion of the amount of a contract for a public work under certain circumstances; revising the manner in which a construction manager at risk may solicit bids and select a subcontractor for a public work; requiring a contractor to replace an unacceptable subcontractor on a public work of this State without an increase in the amount of the bid; requiring a prime contractor to forfeit a portion of the amount of a contract for a public work under certain circumstances; revising the manner in which a construction manager at risk may solicit bids and select a subcontractor for a public work; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Under existing law, a contract for a public work involving a design-build team is awarded by a public body based on the application of certain criteria. A design-build team may qualify for a preference in bidding on such a contract if the contractor on the design-build team has submitted proof to the State Contractors' Board that the contractor has paid certain taxes to the State for the past 5 years. (NRS 338.1389, 338.147, 338.1727, 408.3886)

Section 1 of this bill allows a person who holds a certificate of registration to engage in the practice of architecture or landscape architecture or who holds a license as a professional engineer or professional land surveyor to qualify for a preference when competing for public works if the person has submitted proof to the appropriate licensing board that the person has paid certain taxes to the State for the past 3 years. Sections 26 and 31 of this bill allow a design-build team to receive a preference in selection as a finalist for a public work or a project for the construction, reconstruction or improvement of a highway if both the contractor and the design professionals on the design-build team possess a certificate of eligibility to receive their respective preferences. Sections 28 and 32 of this bill allow a design-build team that has been selected as a finalist for a public work or a project for the construction, reconstruction or improvement of a highway to receive a preference in selection for a contract only if both the contractor and the design professionals on the design-build team possess a certificate of eligibility to receive their respective preferences. Section 33 of this bill allows an architect, professional engineer or professional land surveyor to receive a preference in selection for certain public works if the architect, professional engineer or professional land surveyor possesses a
certificate of eligibility to receive a preference when competing for public works.

Existing law provides that a public body which selects a design-build team as a finalist in the selection process for a contract for a public work must make public specified information concerning the design-build team and its selection. (NRS 338.1725) **Section 31** of this bill adds a similar requirement for the Department of Transportation to make public specified information concerning a design-build team and the selection of that design-build team as a finalist in the selection process for a contract for a project for the construction, reconstruction or improvement of a highway. **Section 16** of this bill requires that a public body must, after selecting but before entering into a contract with a design professional who is not a member of a design-build team, transmit certain information concerning the selection of the design profession to the licensing board that regulates the design professional. That licensing board must post the information on its Internet website.

**Before a contract for a public work of this State is awarded, existing law requires a contractor to replace a subcontractor that is named in the contractor's bid for the contract if the subcontractor is not properly licensed or has been disqualified from participating in public works sponsored by the State Public Works Board.** (NRS 338.13895) **Section 12** of this bill requires the contractor to replace such a subcontractor without an increase in the amount of the bid. This same requirement currently applies with respect to the replacement of a subcontractor named in a bid for a contract for a public work of a local government if the subcontractor is not properly licensed. (NRS 338.13895)

**Under existing law, a contractor is required to list in his or her bid for a public work the names of certain subcontractors who will be performing work on the public work if the contractor is awarded the contract. Existing law sets forth requirements with which a prime contractor who is awarded the contract must comply to substitute a subcontractor for another subcontractor.** (NRS 338.141) If a prime contractor does not comply with the requirements related to the substitution of subcontractors, section 13 of this bill requires the prime contractor to forfeit 1 percent of the contract amount as a penalty.

**Existing law also requires a contractor to include his or her name on a bid for a public work if, as the prime contractor, the contractor will perform a portion of the work on the public work which is estimated to exceed 3 percent of the estimated cost of the public work.** (NRS 338.141) **Section 13** of this bill requires a prime contractor to forfeit a specified amount as a penalty if the prime contractor substitutes a subcontractor to perform the work that the prime contractor indicated on the bid that the prime contractor or another subcontractor would perform.

**In order for a subcontractor to be eligible to provide materials, equipment, work or other services on a public work for which a
construction manager at risk was awarded a contract, existing law requires the subcontractor to be licensed and to be selected based on a process of competitive bidding set forth for all subcontractors on any public work in the State. (NRS 338.169) Sections 4 and 5 of this bill changes the manner in which a construction manager at risk selects subcontractors and sets forth specific procedures a construction manager at risk must follow when selecting subcontractors to provide materials, equipment, work or other services on a public work for which the construction manager at risk was awarded a contract.

Existing law authorizes a public body to construct a public work by selecting a construction manager at risk and sets forth certain procedures the public body must follow when selecting the construction manager at risk and entering into a contract with him or her for preconstruction services or to construct the public work. (NRS 338.169-338.1699) Sections 18-22 of this bill amend the provisions governing the way in which a public body must select a construction manager at risk. Existing law provides for a two-step selection process, wherein construction managers at risk must first submit a statement of qualifications, and then the public body selects finalists who are requested to submit final proposals and are interviewed before one is chosen to be awarded the contract. (NRS 338.1692-338.1695) Instead, sections 20 and 21 of this bill change the process to a single step: a construction manager at risk submits a proposal from the start, which contains a combination of the statement of qualifications and any material existing law required to be included in a final proposal, and the public body chooses which applicants to interview and which to select from those proposals. Section 22 of this bill allows a public body to enter into negotiations with the construction manager at risk who is providing the preconstruction services for the construction of a portion of the public work as soon as that portion of the design is finalized instead of waiting until the complete design is finished, as is currently required by existing law. In addition, section 22 allows the construction manager at risk providing preconstruction services to bid on the project if negotiations for the contract fail and the public body opens it up for bids.

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

Section 1. Chapter 338 of NRS is hereby amended by adding thereto a new section to read as follows:

Sec. 2. 1. The State Board of Architecture, Interior Design and Residential Design shall issue a certificate of eligibility to receive a preference when competing for public works to a person who holds a certificate of registration to engage in the practice of architecture pursuant to the provisions of chapter 623 of NRS and submits to the Board an
affidavit from a certified public accountant setting forth that the person has, while holding a certificate of registration to engage in the practice of architecture in this State:

(a) Paid directly, on his or her own behalf the excise tax imposed upon an employer by NRS 363B.110 of not less than $1,500 for each consecutive 12-month period for six 36 months immediately preceding the submission of the affidavit from the certified public accountant; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating business that engages in the practice of architecture that:

1. Satisfies the requirements of NRS 623.350; and

2. Possesses a certificate of eligibility to receive a preference when competing for public works.

2. The State Board of Landscape Architecture shall issue a certificate of eligibility to receive a preference when competing for public works to a person who holds a certificate of registration to engage in the practice of landscape architecture pursuant to the provisions of chapter 623A of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the person has, while holding a certificate of registration to engage in the practice of landscape architecture in this State:

(a) Paid directly, on his or her own behalf the excise tax imposed upon an employer by NRS 363B.110 of not less than $1,500 for each consecutive 12-month period for six 36 months immediately preceding the submission of the affidavit from the certified public accountant; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating business that engages in the practice of landscape architecture that:

1. Satisfies the requirements of NRS 623A.250; and

2. Possesses a certificate of eligibility to receive a preference when competing for public works.

3. The State Board of Professional Engineers and Land Surveyors shall issue a certificate of eligibility to receive a preference when competing for public works to a professional engineer or professional land surveyor who is licensed pursuant to the provisions of chapter 625 of NRS and submits to the Board an affidavit from a certified public accountant setting forth that the professional engineer or professional land surveyor has, while licensed as a professional engineer or professional land surveyor in this State:

(a) Paid directly, on his or her own behalf the excise tax imposed upon an employer by NRS 363B.110 of not less than $1,500 for each consecutive 12-month period for six 36 months immediately preceding the submission of the affidavit from the certified public accountant; or

(b) Acquired, by purchase, inheritance, gift or transfer through a stock option plan, all the assets and liabilities of a viable, operating business that engages in engineering or land surveying that:
(1) Satisfies the requirements of NRS 625.407; and
(2) Possesses a certificate of eligibility to receive a preference when competing for public works.

4. For the purposes of complying with the requirements set forth in paragraph (a) of subsection 1, paragraph (a) of subsection 2 and paragraph (a) of subsection 3, a person shall be deemed to have paid:
   (a) The excise tax imposed upon an employer by NRS 363B.110 by an affiliate or parent company of the person, if the affiliate or parent company also satisfies the requirements of NRS 623.350, 623A.250 or 625.407, as applicable; and
   (b) The excise tax imposed upon an employer by NRS 363B.110 by a joint venture in which the person is a participant, in proportion to the amount of interest the person has in the joint venture.

5. A design professional who has received a certificate of eligibility to receive a preference when competing for public works pursuant to subsection 1, 2 or 3 must, at the time for the renewal of his or her professional license or certificate of registration, as applicable, pursuant to chapter 623, 623A or 625 of NRS, submit to the applicable licensing board an affidavit from a certified public accountant setting forth that the design professional has, during the immediately preceding 12 months, paid the taxes required pursuant to paragraph (a) of subsection 1, paragraph (a) of subsection 2 or paragraph (a) of subsection 3, as applicable, to maintain eligibility to hold such a certificate.

6. A design professional who fails to submit an affidavit to the applicable licensing board pursuant to subsection 5 ceases to be eligible to receive a preference when competing for public works unless the design professional reapplies for and receives a certificate of eligibility pursuant to subsection 1, 2 or 3, as applicable.

7. If a design professional holds more than one license or certificate of registration, the design professional must submit a separate application for each license or certificate of registration pursuant to which the design professional wishes to qualify for a preference when competing for public works. Upon issuance, the certificate of eligibility to receive a preference when competing for public works becomes part of the design professional's license or certificate of registration for which the design professional submitted the application.

8. If a design professional who applies to a licensing board for a certificate of eligibility to receive a preference when competing for public works pursuant to subsection 1, 2 or 3 submits false information to the licensing board regarding the required payment of taxes, the design professional is not eligible to receive a preference when competing for public works for a period of 5 years after the date on which the licensing board becomes aware of the submission of the false information.

9. The State Board of Architecture, Interior Design and Residential Design, the State Board of Landscape Architecture and the State Board of
Professional Engineers and Land Surveyors shall adopt regulations and may assess reasonable fees relating to their respective certification of design professionals for a preference when competing for public works.

10. A person or entity who believes that a design professional wrongfully holds a certificate of eligibility to receive a preference when competing for public works may challenge the validity of the certificate by filing a written objection with the public body which selected, for the purpose of providing services for a public work, the design professional who holds the certificate. A written objection authorized pursuant to this subsection must:

(a) Set forth proof or substantiating evidence to support the belief of the person or entity that the design professional wrongfully holds a certificate of eligibility to receive a preference when competing for public works; and

(b) Be filed with the public body not later than 3 business days after:

(1) The date on which the public body makes available to the public pursuant to subsection 3 of NRS 338.1725 the information required by that subsection, if the design-build team of which the design professional who holds the certificate is a part was selected as a finalist pursuant to NRS 338.1725;

(2) The date on which the Department of Transportation makes available to the public pursuant to subsection 3 of NRS 408.3885 the information required by that subsection, if the design-build team of which the design professional who holds the certificate is a part was selected as a finalist pursuant to NRS 408.3885; or

(3) The date on which the licensing board which issued the certificate to the design professional posted on its Internet website the information required by subsection 3 of NRS 338.155, if the design professional is identified in that information as being selected for a contract governed by NRS 338.155.

11. If a public body receives a written objection pursuant to subsection 10, the public body shall determine whether the objection is accompanied by the proof or substantiating evidence required pursuant to paragraph (a) of that subsection. If the public body determines that the objection is not accompanied by the required proof or substantiating evidence, the public body shall dismiss the objection and the public body or its authorized representative may proceed immediately to award the contract. If the public body determines that the objection is accompanied by the required proof or substantiating evidence, the public body shall determine whether the design professional qualifies for the certificate pursuant to the provisions of this section and the public body or its authorized representative may proceed to award the contract accordingly.

Sec. 3. Notwithstanding the provisions of sections 4 and 5 of this act, and subject to the provisions of subsection 2, if a public body enters into a contract with a construction manager at risk for preconstruction services pursuant to NRS 338.1693, the construction manager at risk may
enter into a contract with a subcontractor licensed pursuant to chapter 624 of NRS to provide any of the following preconstruction services, the basis of payment for which is a negotiated price:

(a) Assisting the construction manager at risk in identifying and selecting materials and equipment to be provided by each subcontractor;

(b) Assisting the construction manager at risk in creating a schedule for the provision of labor, materials or equipment by each subcontractor;

(c) For the purpose of enabling the construction manager at risk to establish a budget for the construction of the public work, estimating the cost of labor, materials or equipment to be provided by each subcontractor; and

(d) Providing recommendations to the construction manager at risk regarding the design for the public work, as the design pertains to the labor, materials or equipment to be provided by each subcontractor.

2. A subcontractor may not provide preconstruction services pursuant to this section in an area of work outside the field or scope of the license of the subcontractor.

Sec. 4. 1. To be eligible to provide labor, materials or equipment on a public work, the contract for which a public body has entered into with a construction manager at risk pursuant to NRS 338.1696, a subcontractor must be:

(a) Licensed pursuant to chapter 624 of NRS; and

(b) Qualified pursuant to the provisions of this section to submit a proposal for the provision of labor, materials or equipment on a public work.

2. Subject to the provisions of subsections 3, 4 and 5, the construction manager at risk shall determine whether an applicant is qualified to submit a proposal for the provision of labor, materials or equipment on the public work for the purposes of paragraph (b) of subsection 1.

3. After the design and schedule for the construction of the public work is sufficiently detailed and complete to allow a subcontractor to apply to qualify to submit a meaningful and responsive proposal for the provision of labor, materials or equipment on the public work, and not later than 21 days before the date by which such an application must be submitted, the construction manager at risk shall advertise for such applications in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed. If no qualified newspaper is published in the county where the public work will be performed, the advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.

4. The criteria to be used by the construction manager at risk when determining whether an applicant is qualified to submit a proposal for the provision of labor, materials or equipment must include, and must be limited to:
(a) The monetary limit placed on the license of the applicant by the State Contractors' Board pursuant to NRS 624.220;
(b) The financial ability of the applicant to provide the labor, materials or equipment required on the public work;
(c) Whether the applicant has the ability to obtain the necessary bonding for the work required by the public body;
(d) The safety programs established and the safety records accumulated by the applicant;
(e) Whether the applicant has breached any contracts with a public body or person in this State or any other state during the 5 years immediately preceding the application;
(f) Whether the applicant has been disciplined or fined by the State Contractors' Board or another state or federal agency for conduct that relates to the ability of the applicant to perform the public work;
(g) The performance history of the applicant concerning other recent, similar public or private contracts, if any, completed by the applicant in Nevada;
(h) The principal personnel of the applicant;
(i) Whether the applicant has been disqualified from the award of any contract pursuant to NRS 338.017 or 338.13895; and
(j) The truthfulness and completeness of the application.
5. The public body or its authorized representative shall ensure that each determination made pursuant to subsection 2 is made subject to the provisions of subsection 4.
6. The construction manager at risk shall notify each applicant and the public body in writing of a determination made pursuant to subsection 2.
7. A determination made pursuant to subsection 2 that an applicant is not qualified may be appealed pursuant to NRS 338.1381 to the public body with whom the construction manager at risk has entered into a contract for the construction of the public work.
Sec. 5. If a public body enters into a contract with a construction manager at risk for the construction of a public work pursuant to NRS 338.1696, the construction manager at risk may enter into a subcontract for the provision of labor, materials and equipment necessary for the construction of the public work only as provided in this section.
2. The provisions of this section apply only to a subcontract for which the estimated value is at least 1 percent of the total cost of the public work.
3. After the design and schedule for the construction of the public work is sufficiently detailed and complete to allow a subcontractor to submit a meaningful and responsive proposal, and not later than 21 days before the date by which a proposal for the provision of labor, materials or equipment by a subcontractor must be submitted, the construction manager at risk shall notify in writing each subcontractor who was determined pursuant to section 4 of this act to be qualified to submit such a proposal of a request
for such proposals. A copy of the notice required pursuant to this subsection must be provided to the public body.

4. The notice required pursuant to subsection 3 must include, without limitation:
   (a) A description of the design for the public work and a statement indicating where a copy of the documents relating to that design may be obtained;
   (b) A description of the type and scope of labor, equipment and materials for which subcontractor proposals are being sought;
   (c) The dates on which it is anticipated that construction of the public work will begin and end;
   (d) The date, time and place at which a preproposal meeting will be held;
   (e) The date and time by which proposals must be received, and to whom they must be submitted;
   (f) The date, time and place at which proposals will be opened for evaluation;
   (g) A description of the bonding and insurance requirements for subcontractors;
   (h) Any other information reasonably necessary for a subcontractor to submit a responsive proposal; and
   (i) A statement in substantially the following form:

   Notice: For a proposal for a subcontract on the public work to be considered:
   1. The subcontractor must be licensed pursuant to chapter 624 of NRS;
   2. The proposal must be timely received;
   3. The subcontractor must attend the preproposal meeting; and
   4. The subcontractor may not modify the proposal after the date and time the proposal is received.

5. A subcontractor may not modify a proposal after the date and time the proposal is received.

6. To be considered responsive, a proposal must:
   (a) Be timely received by the construction manager at risk; and
   (b) Substantially and materially conform to the details and requirements included in the proposal instructions and for the finalized bid package for the public work, including, without limitation, details and requirements affecting price and performance.

7. The opening of the proposals must be attended by an authorized representative of the public body and the architect or engineer responsible for the design of the public work but is not otherwise open to the public.

8. At the time the proposals are opened, the construction manager at risk shall compile and provide to the public body or its authorized representative a list that includes, without limitation, the name and contact information of each subcontractor who submits a timely proposal and the
price of the proposal submitted by the subcontractor. The list must be made available to the public upon request.

9. Not less than 10 working days after opening the proposal, the construction manager at risk shall:
   (a) Evaluate the proposals and determine which proposals are responsive.
   (b) Select the subcontractor who submits the proposal that the construction manager at risk determines is the best proposal. The subcontractor must be selected from among those:
      (1) Who attended the preproposal meeting;
      (2) Who submitted a responsive proposal; and
      (3) Whose names are included on the list compiled and provided to the public body or its authorized representative pursuant to subsection 8.
   (c) Inform the public body or its authorized representative which subcontractor has been selected.

10. The public body or its authorized representative shall ensure that the evaluation of proposals and selection of subcontractors are done pursuant to the provisions of this section and regulations adopted by the State Public Works Board.

11. A subcontractor selected pursuant to subsection 9 need not be selected by the construction manager at risk solely on the basis of lowest price.

12. Except as otherwise provided in subsection 13, the construction manager at risk shall enter into a subcontract with a subcontractor selected pursuant to subsection 9 to provide the labor, materials or equipment described in the request for proposals.

13. A construction manager at risk shall not substitute a subcontractor for any subcontractor selected pursuant to subsection 9 unless:
   (a) The public body or its authorized representative objects to the subcontractor, requests in writing a change in the subcontractor and pays any increase in costs resulting from the change; or
   (b) The substitution is approved by the public body after the selected subcontractor:
      (1) Files for bankruptcy or becomes insolvent;
      (2) After having a reasonable opportunity, fails or refuses to execute a written contract with the construction manager at risk which was offered to the selected subcontractor with the same general terms that all other subcontractors on the project were offered;
      (3) Fails or refuses to perform the subcontract within a reasonable time;
      (4) Is unable to furnish a performance bond and payment bond pursuant to NRS 339.025, if required for the public work; or
      (5) Is not properly licensed to provide that labor or portion of the work.
14. The construction manager at risk shall make available to the public, including, without limitation, each subcontractor who submits a proposal, the final rankings of the subcontractors and shall provide, upon request, an explanation to any subcontractor who is not selected of the reasons why the subcontractor was not selected.

15. If a public work is being constructed in phases, and a construction manager at risk selects a subcontractor pursuant to subsection 9 for the provision of labor, materials or equipment for any phase of that construction, the construction manager at risk may select that subcontractor for the provision of labor, materials or equipment for any other phase of the construction without following the requirements of subsections 3 to 11, inclusive.

Sec. 6. NRS 338.1373 is hereby amended to read as follows:

1. A local government or its authorized representative shall award a contract for a public work pursuant to the provisions of:
   (a) NRS 338.1377 to 338.139, inclusive;
   (b) NRS 338.143 to 338.148, inclusive;
   (c) NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act or
   (d) NRS 338.1711 to 338.1727, inclusive.

2. The provisions of NRS 338.1375 to 338.1382, inclusive, 338.1386, 338.13862, 338.13864, 338.139, 338.142, and 338.1711 to 338.1727, inclusive, do not apply with respect to contracts for the construction, reconstruction, improvement and maintenance of highways that are awarded by the Department of Transportation pursuant to NRS 408.313 to 408.433, inclusive.

Sec. 7. NRS 338.1373 is hereby amended to read as follows:

1. A local government or its authorized representative shall award a contract for a public work pursuant to the provisions of:
   (a) NRS 338.1377 to 338.139, inclusive;
   (b) NRS 338.143 to 338.148, inclusive;
   (c) NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act; or
   (d) NRS 338.1711 to 338.1727, inclusive, and section 2 of this act.

2. The provisions of NRS 338.1375 to 338.1382, inclusive, 338.1386, 338.13862, 338.13864, 338.139, 338.142 and 338.1711 to 338.1727, inclusive, do not apply with respect to contracts for the construction, reconstruction, improvement and maintenance of highways that are awarded by the Department of Transportation pursuant to NRS 408.313 to 408.433, inclusive.

Sec. 8. NRS 338.1373 is hereby amended to read as follows:

1. A local government or its authorized representative shall award a contract for a public work pursuant to the provisions of:
   (a) NRS 338.1377 to 338.139, inclusive;
(b) NRS 338.143 to 338.148, inclusive;
(c) NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act; or
(d) NRS 338.1711 to 338.1727, inclusive, and section 2 of this act.

2. The provisions of NRS 338.1375 to 338.1382, inclusive, 338.1386, 338.13862, 338.13864, 338.139, 338.142, 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act and 338.1711 to 338.1727, inclusive, do not apply with respect to contracts for the construction, reconstruction, improvement and maintenance of highways that are awarded by the Department of Transportation pursuant to NRS 408.313 to 408.433, inclusive.

Sec. 9. NRS 338.1373 is hereby amended to read as follows:

338.1373 1. A local government or its authorized representative shall award a contract for a public work pursuant to the provisions of:
(a) NRS 338.1377 to 338.139, inclusive;
(b) NRS 338.143 to 338.148, inclusive;
(c) NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act; or
(d) NRS 338.1711 to 338.1727, inclusive, and section 2 of this act.

2. The provisions of NRS 338.1375 to 338.1382, inclusive, 338.1386, 338.13862, 338.13864, 338.139, 338.142, 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act and 338.1711 to 338.1727, inclusive, do not apply with respect to contracts for the construction, reconstruction, improvement and maintenance of highways that are awarded by the Department of Transportation pursuant to NRS 408.313 to 408.433, inclusive.

Sec. 10. NRS 338.1381 is hereby amended to read as follows:

338.1381 1. If, within 10 days after receipt of the notice denying an application pursuant to NRS 338.1379 or section 4 of this act or disqualifying a subcontractor pursuant to NRS 338.1376, the applicant or subcontractor, as applicable, files a written request for a hearing with the State Public Works Board or the local government, the Board or governing body shall set the matter for a hearing within 20 days after receipt of the request. The hearing must be held not later than 45 days after the receipt of the request for a hearing unless the parties, by written stipulation, agree to extend the time.

2. The hearing must be held at a time and place prescribed by the Board or local government. At least 10 days before the date set for the hearing, the Board or local government shall serve the applicant or subcontractor with written notice of the hearing. The notice may be served by personal delivery to the applicant or subcontractor or by certified mail to the last known business or residential address of the applicant or subcontractor.

3. The applicant or subcontractor has the burden at the hearing of proving by substantial evidence that the applicant is entitled to be qualified to
bid on a contract for a public work, or that the subcontractor is qualified to be a subcontractor on a contract for a public work.

4. In conducting a hearing pursuant to this section, the Board or governing body may:
   (a) Administer oaths;
   (b) Take testimony;
   (c) Issue subpoenas to compel the attendance of witnesses to testify before the Board or governing body;
   (d) Require the production of related books, papers and documents; and
   (e) Issue commissions to take testimony.

5. If a witness refuses to attend or testify or produce books, papers or documents as required by the subpoena issued pursuant to subsection 4, the Board or governing body may petition the district court to order the witness to appear or testify or produce the requested books, papers or documents.

6. The Board or governing body shall issue a decision on the matter during the hearing. The decision of the Board or governing body is a final decision for purposes of judicial review.

**Sec. 11.** NRS 338.1385 is hereby amended to read as follows:

338.1385 1. Except as otherwise provided in subsection 9 and NRS 338.1906 and 338.1907, this State, or a governing body or its authorized representative that awards a contract for a public work in accordance with paragraph (a) of subsection 1 of NRS 338.1373 shall not:
   (a) Commence a public work for which the estimated cost exceeds $100,000 unless it advertises in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed for bids for the public work. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
   (b) Commence a public work for which the estimated cost is $100,000 or less unless it complies with the provisions of NRS 338.1386, 338.13862 and 338.13864 and, with respect to the State, NRS 338.1384 to 338.13847, inclusive.
   (c) Divide a public work into separate portions to avoid the requirements of paragraph (a) or (b).

2. At least once each quarter, the authorized representative of a public body shall report to the public body any contract that the authorized representative awarded pursuant to subsection 1 in the immediately preceding quarter.

3. Each advertisement for bids must include a provision that sets forth the requirement that a contractor must be qualified pursuant to NRS 338.1379 or 338.1382 to bid on the contract.

4. Approved plans and specifications for the bids must be on file at a place and time stated in the advertisement for the inspection of all persons
desiring to bid thereon and for other interested persons. Contracts for the public work must be awarded on the basis of bids received.

5. Except as otherwise provided in subsection 6 and NRS 338.1389, a public body or its authorized representative shall award a contract to the lowest responsive and responsible bidder.

6. Any bids received in response to an advertisement for bids may be rejected if the public body or its authorized representative responsible for awarding the contract determines that:
   (a) The bidder is not a qualified bidder pursuant to NRS 338.1379 or 338.1382;
   (b) The bidder is not responsive or responsible;
   (c) The quality of the services, materials, equipment or labor offered does not conform to the approved plans or specifications; or
   (d) The public interest would be served by such a rejection.

7. A public body may let a contract without competitive bidding if no bids were received in response to an advertisement for bids and:
   (a) The public body publishes a notice stating that no bids were received and that the contract may be let without further bidding;
   (b) The public body considers any bid submitted in response to the notice published pursuant to paragraph (a);
   (c) The public body lets the contract not less than 7 days after publishing a notice pursuant to paragraph (a); and
   (d) The contract is awarded to the bidder who has submitted the lowest responsive and responsible bid.

8. Before a public body may commence the performance of a public work itself pursuant to the provisions of this section, based upon a determination that the public interest would be served by rejecting any bids received in response to an advertisement for bids, the public body shall prepare and make available for public inspection a written statement containing:
   (a) A list of all persons, including supervisors, whom the public body intends to assign to the public work, together with their classifications and an estimate of the direct and indirect costs of their labor;
   (b) A list of all equipment that the public body intends to use on the public work, together with an estimate of the number of hours each item of equipment will be used and the hourly cost to use each item of equipment;
   (c) An estimate of the cost of administrative support for the persons assigned to the public work;
   (d) An estimate of the total cost of the public work, including the fair market value of or, if known, the actual cost of all materials, supplies, labor and equipment to be used for the public work; and
   (e) An estimate of the amount of money the public body expects to save by rejecting the bids and performing the public work itself.

9. This section does not apply to:
   (a) Any utility subject to the provisions of chapter 318 or 710 of NRS;
(b) Any work of construction, reconstruction, improvement and maintenance of highways subject to NRS 408.323 or 408.327;
(c) Normal maintenance of the property of a school district;
(d) The Las Vegas Valley Water District created pursuant to chapter 167, Statutes of Nevada 1947, the Moapa Valley Water District created pursuant to chapter 477, Statutes of Nevada 1983 or the Virgin Valley Water District created pursuant to chapter 100, Statutes of Nevada 1993;
(e) The design and construction of a public work for which a public body contracts with a design-build team pursuant to NRS 338.1711 to 338.1727, inclusive;
(f) A constructability review of a public work, which review a local government or its authorized representative is required to perform pursuant to NRS 338.1435; or
(g) The preconstruction or construction of a public work for which a public body enters into a contract with a construction manager at risk pursuant to NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act.

Sec. 12. NRS 338.13895 is hereby amended to read as follows:

338.13895 1. The State Public Works Board shall not award a contract to a person who, at the time of the bid, is not properly licensed under the provisions of chapter 624 of NRS or if the contract would exceed the limit of the person's license. A subcontractor who is:
(a) Named in the bid for the contract as a subcontractor who will provide a portion of the work on the public work pursuant to NRS 338.141; and
(b) Not properly licensed for that portion of the work, or who, at the time of the bid, is on disqualified status with the State Public Works Board pursuant to NRS 338.1376,
shall be deemed unacceptable. If the subcontractor is deemed unacceptable pursuant to this subsection, the contractor shall provide an acceptable subcontractor with no increase in the amount of the contract or bid.

2. A local government awarding a contract for a public work shall not award the contract to a person who, at the time of the bid, is not properly licensed under the provisions of chapter 624 of NRS or if the contract would exceed the limit of the person's license. A subcontractor who is:
(a) Named in the bid for the contract as a subcontractor who will provide a portion of the work on the public work pursuant to NRS 338.141; and
(b) Not properly licensed for that portion of work,
shall be deemed unacceptable. If the subcontractor is deemed unacceptable pursuant to this subsection, the contractor shall provide an acceptable subcontractor with no increase in the amount of the contract or bid.

3. If, after awarding the contract, but before commencement of the work, the public body or its authorized representative discovers that the person to whom the contract was awarded is not licensed, or that the contract would
exceed the person's license, the public body or its authorized representative shall rescind the award of the contract and may accept the next lowest bid for that public work from a responsive bidder who was determined by the public body or its authorized representative to be a qualified bidder pursuant to NRS 338.1379 or 338.1382 without requiring that new bids be submitted.

Sec. 13. NRS 338.141 is hereby amended to read as follows:

338.141 1. Except as otherwise provided in NRS 338.1727, each bid submitted to a public body for any public work to which paragraph (a) of subsection 1 of NRS 338.1385 or paragraph (a) of subsection 1 of NRS 338.143 applies, must include:

(a) If the public body provides a list of the labor or portions of the public work which are estimated by the public body to exceed 3 percent of the estimated cost of the public work, the name of each first tier subcontractor who will provide such labor or portion of the work on the public work which is estimated to exceed 3 percent of the estimated cost of the public work; or

(b) If the public body does not provide a list of the labor or portions of the public work which are estimated by the public body to exceed 3 percent of the estimated cost of the public work, the name of each first tier subcontractor who will provide labor or a portion of the work on the public work to the prime contractor for which the first tier subcontractor will be paid an amount exceeding 5 percent of the prime contractor's total bid. If the bid is submitted pursuant to this paragraph, within 2 hours after the completion of the opening of the bids, the contractors who submitted the three lowest bids must submit a list containing the name of each first tier subcontractor who will provide labor or a portion of the work on the public work to the prime contractor for which the first tier subcontractor will be paid an amount exceeding 1 percent of the prime contractor's total bid or $50,000, whichever is greater, and the number of the license issued to the first tier subcontractor pursuant to chapter 624 of NRS.

2. The lists required by subsection 1 must include a description of the labor or portion of the work which each first tier subcontractor named in the list will provide to the prime contractor.

3. A prime contractor shall include his or her name on a list required by paragraph (a) or (b) of subsection 1 if, as the prime contractor, the prime contractor will perform any of the work required to be listed pursuant to paragraph (a) or (b) of subsection 1.

4. Except as otherwise provided in this subsection, if a contractor:

(a) Fails to submit the list within the required time; or

(b) Submits a list that includes the name of a subcontractor who, at the time of the submission of the list, is on disqualified status with the State Public Works Board pursuant to NRS 338.1376,

the contractor's bid shall be deemed not responsive. A contractor's bid shall not be deemed not responsive on the grounds that the contractor submitted a list that includes the name of a subcontractor who, at the time of the submission of the list, is on disqualified status with the State Public
Works Board pursuant to NRS 338.1376 if the contractor, before the award of the contract, provides an acceptable replacement subcontractor in the manner set forth in subsection 1 or 2 of NRS 338.13895.

5. A prime contractor [whose bid is accepted] shall not substitute a subcontractor for any subcontractor who is named in the bid, unless:
   (a) The public body or its authorized representative objects to the subcontractor, requests in writing a change in the subcontractor and pays any increase in costs resulting from the change.
   (b) The substitution is approved by the public body or its authorized representative. The substitution must be approved if the public body or its authorized representative determines that:
      (1) The named subcontractor, after having a reasonable opportunity, fails or refuses to execute a written contract with the contractor which was offered to the named subcontractor with the same general terms that all other subcontractors on the project were offered;
      (2) The named subcontractor files for bankruptcy or becomes insolvent;
      (3) The named subcontractor fails or refuses to perform his or her subcontract within a reasonable time or is unable to furnish a performance bond and payment bond pursuant to NRS 339.025; or
      (4) The named subcontractor is not properly licensed to provide that labor or portion of the work.
   (c) If the public body awarding the contract is a governing body, the public body or its authorized representative, in awarding the contract pursuant to NRS 338.1375 to 338.139, inclusive:
      (1) Applies such criteria set forth in NRS 338.1377 as are appropriate for subcontractors and determines that the subcontractor does not meet that criteria; and
      (2) Requests in writing a substitution of the subcontractor.

6. If a prime contractor substitutes a subcontractor for any subcontractor who is named in the bid without complying with the provisions of subsection 5, the prime contractor shall forfeit, as a penalty to the public body that awarded the contract, an amount equal to 1 percent of the total amount of the contract.

7. If a prime contractor [indicated indicated pursuant to subsection [1]] 3 that he or she [will would] perform a portion of work on the public work and [thereafter requests to substitute , after the submission of the bid, substitutes a subcontractor to perform such work, the prime contractor shall provide to the public body a written explanation in the form required by the public body which contains the reasons that:
   (a) A subcontractor was not originally contemplated to be used on that portion of the public work; and
   (b) The substitution is in the best interest of the public body.

--77 forfeit as a penalty to the public body that awarded the contract, the lesser of, and excluding any amount of the contract that is attributable to change orders:
(a) An amount equal to 2.5 percent of the total amount of the contract; 
or
(b) An amount equal to 35 percent of the estimate by the engineer of the
cost of the work the prime contractor indicated pursuant to subsection 3
that he or she would perform on the public work.

8. As used in this section:
(a) "First tier subcontractor" means a subcontractor who contracts directly
with a prime contractor to provide labor, materials or services for a
construction project.
(b) "General terms" means the terms and conditions of a contract that set
the basic requirements for a public work and apply without regard to the
particular trade or specialty of a subcontractor, but does not include any
 provision that controls or relates to the specific portion of the public work
that will be completed by a subcontractor, including, without limitation, the
materials to be used by the subcontractor or other details of the work to be
performed by the subcontractor.

Sec. 14. NRS 338.142 is hereby amended to read as follows:
338.142
1. A person who bids on a contract may file a notice of protest
regarding the awarding of the contract with the authorized representative
designated by the public body within 5 business days after the date the 
bids were opened recommendation to award a contract is issued by the public
body or its authorized representative.
2. The notice of protest must include a written statement setting forth
with specificity the reasons the person filing the notice believes the
applicable provisions of law were violated.
3. A person filing a notice of protest may be required by the public body
or its authorized representative, at the time the notice of protest is filed, to
post a bond with a good and solvent surety authorized to do business in this
state or submit other security, in a form approved by the public body, to the
public body who shall hold the bond or other security until a determination is
made on the protest. A bond posted or other security submitted with a notice
of protest must be in an amount equal to the lesser of:
(a) Twenty-five percent of the total value of the bid submitted by the
person filing the notice of protest; or
(b) Two hundred fifty thousand dollars.
4. A notice of protest filed in accordance with the provisions of this
section operates as a stay of action in relation to the awarding of any contract
until a determination is made by the public body on the protest.
5. A person who makes an unsuccessful bid may not seek any type of
judicial intervention until the public body has made a determination on the
protest and awarded the contract.
6. Neither a public body nor any authorized representative of the public
body is liable for any costs, expenses, attorney's fees, loss of income or other
damages sustained by a person who makes a bid, whether or not the person
files a notice of protest pursuant to this section.
7. If the protest is upheld, the bond posted or other security submitted with the notice of protest must be returned to the person who posted the bond or submitted the security. If the protest is rejected, a claim may be made against the bond or other security by the public body in an amount equal to the expenses incurred by the public body because of the unsuccessful protest. Any money remaining after the claim has been satisfied must be returned to the person who posted the bond or submitted the security.

Sec. 15. NRS 338.143 is hereby amended to read as follows:

338.143 1. Except as otherwise provided in subsection 8 and NRS 338.1907, a local government or its authorized representative that awards a contract for a public work in accordance with paragraph (b) of subsection 1 of NRS 338.1373 shall not:

(a) Commence a public work for which the estimated cost exceeds $100,000 unless it advertises in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed for bids for the public work. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.

(b) Commence a public work for which the estimated cost is $100,000 or less unless it complies with the provisions of NRS 338.1442, 338.1444 and 338.1446.

(c) Divide a project work into separate portions to avoid the requirements of paragraph (a) or (b).

2. At least once each quarter, the authorized representative of a local government shall report to the governing body any contract that the authorized representative awarded pursuant to subsection 1 in the immediately preceding quarter.

3. Approved plans and specifications for the bids must be on file at a place and time stated in the advertisement for the inspection of all persons desiring to bid thereon and for other interested persons. Contracts for the public work must be awarded on the basis of bids received.

4. Except as otherwise provided in subsection 5 and NRS 338.147, the local government or its authorized representative shall award a contract to the lowest responsive and responsible bidder.

5. Any bids received in response to an advertisement for bids may be rejected if the local government or its authorized representative responsible for awarding the contract determines that:

(a) The bidder is not responsive or responsible;

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

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

6. A local government may let a contract without competitive bidding if no bids were received in response to an advertisement for bids and:
(a) The local government publishes a notice stating that no bids were received and that the contract may be let without further bidding;
(b) The local government considers any bid submitted in response to the notice published pursuant to paragraph (a);
(c) The local government lets the contract not less than 7 days after publishing a notice pursuant to paragraph (a); and
(d) The contract is awarded to the lowest responsive and responsible bidder.

7. Before a local government may commence the performance of a public work itself pursuant to the provisions of this section, based upon a determination that the public interest would be served by rejecting any bids received in response to an advertisement for bids, the local government shall prepare and make available for public inspection a written statement containing:
(a) A list of all persons, including supervisors, whom the local government intends to assign to the public work, together with their classifications and an estimate of the direct and indirect costs of their labor;
(b) A list of all equipment that the local government intends to use on the public work, together with an estimate of the number of hours each item of equipment will be used and the hourly cost to use each item of equipment;
(c) An estimate of the cost of administrative support for the persons assigned to the public work;
(d) An estimate of the total cost of the public work, including the fair market value of or, if known, the actual cost of all materials, supplies, labor and equipment to be used for the public work; and
(e) An estimate of the amount of money the local government expects to save by rejecting the bids and performing the public work itself.

8. This section does not apply to:
(a) Any utility subject to the provisions of chapter 318 or 710 of NRS;
(b) Any work of construction, reconstruction, improvement and maintenance of highways subject to NRS 408.323 or 408.327;
(c) Normal maintenance of the property of a school district;
(d) The Las Vegas Valley Water District created pursuant to chapter 167, Statutes of Nevada 1947, the Moapa Valley Water District created pursuant to chapter 477, Statutes of Nevada 1983 or the Virgin Valley Water District created pursuant to chapter 100, Statutes of Nevada 1993;
(e) The design and construction of a public work for which a public body contracts with a design-build team pursuant to NRS 338.1711 to 338.1727, inclusive;
(f) A constructability review of a public work, which review a local government or its authorized representative is required to perform pursuant to NRS 338.1435; or
(g) The preconstruction or construction of a public work for which a public body enters into a contract with a construction manager at risk
pursuant to NRS 338.169 to 338.16985, inclusive, and sections 3, 4 and 5 of this act.

Sec. 16. NRS 338.155 is hereby amended to read as follows:

338.155 1. If a public body enters into a contract with a design professional who is not a member of a design-build team, for the provision of services in connection with a public work, the contract:

(a) Must set forth:

(1) The specific period within which the public body must pay the design professional.

(2) The specific period and manner in which the public body may dispute a payment or portion thereof that the design professional alleges is due.

(3) The terms of any penalty that will be imposed upon the public body if the public body fails to pay the design professional within the specific period set forth in the contract pursuant to subparagraph (1).

(4) That the prevailing party in an action to enforce the contract is entitled to reasonable attorney's fees and costs.

(b) May set forth the terms of any discount that the public body will receive if the public body pays the design professional within the specific period set forth in the contract pursuant to subparagraph (1) of paragraph (a).

(c) May set forth the terms by which the design professional agrees to name the public body, at the cost of the public body, as an additional insured in an insurance policy held by the design professional, if the policy allows such an addition.

(d) Must not require the design professional to defend, indemnify or hold harmless the public body or the employees, officers or agents of that public body from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers or agents of the public body.

(e) Except as otherwise provided in this paragraph, may require the design professional to defend, indemnify and hold harmless the public body, the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees and costs, to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the design professional or the employees or agents of the design professional in the performance of the contract. If the insurer by which the design professional is insured against professional liability does not so defend the public body and the employees, officers and agents of the public body and the design professional is adjudicated to be liable by a trier of fact, the trier of fact shall award reasonable attorney's fees and costs to be paid to the public body by the design professional in an amount which is proportionate to the liability of the design professional.
2. Any provision of a contract entered into by a public body and a design professional who is not a member of a design-build team that conflicts with the provisions of paragraph (d) or (e) of subsection 1 is void.

3. A public body shall not enter into a contract with a design professional who is not a member of a design-build team for the provision of services in connection with a public work until 3 days after the public body has transmitted the information relating to the selection of the design professional to the licensing board that regulates the design professional, including, without limitation, the name of the public body, the name of the design professional, whether the design professional possesses a certificate of eligibility to receive a preference when competing for public works and a brief description of the project and services the design professional was selected for, and the licensing board has posted such information on its Internet website. A licensing board shall post any information received pursuant to this subsection within 1 business day after receiving such information.

4. As used in this section, "agents" means those persons who are directly involved in and acting on behalf of the public body or the design professional, as applicable, in furtherance of the contract or the public work to which the contract pertains.

Sec. 17. NRS 338.155 is hereby amended to read as follows:

338.155 1. If a public body enters into a contract with a design professional who is not a member of a design-build team, for the provision of services in connection with a public work, the contract:

(a) Must set forth:

(1) The specific period within which the public body must pay the design professional.

(2) The specific period and manner in which the public body may dispute a payment or portion thereof that the design professional alleges is due.

(3) The terms of any penalty that will be imposed upon the public body if the public body fails to pay the design professional within the specific period set forth in the contract pursuant to subparagraph (1).

(4) That the prevailing party in an action to enforce the contract is entitled to reasonable attorney's fees and costs.

(b) May set forth the terms of any discount that the public body will receive if the public body pays the design professional within the specific period set forth in the contract pursuant to subparagraph (1) of paragraph (a).

(c) May set forth the terms by which the design professional agrees to name the public body, at the cost of the public body, as an additional insured in an insurance policy held by the design professional, if the policy allows such an addition.

(d) Must not require the design professional to defend, indemnify or hold harmless the public body or the employees, officers or agents of that public body from any liability, damage, loss, claim, action or proceeding caused by
the negligence, errors, omissions, recklessness or intentional misconduct of
the employees, officers or agents of the public body.

(e) Except as otherwise provided in this paragraph, may require the design
professional to defend, indemnify and hold harmless the public body, and the
employees, officers and agents of the public body from any liabilities,
damages, losses, claims, actions or proceedings, including, without
limitation, reasonable attorneys' fees and costs, to the extent that such
liabilities, damages, losses, claims, actions or proceedings are caused by the
negligence, errors, omissions, recklessness or intentional misconduct of the
design professional or the employees or agents of the design professional in
the performance of the contract. If the insurer by which the design
professional is insured against professional liability does not so defend the
public body and the employees, officers and agents of the public body and
the design professional is adjudicated to be liable by a trier of fact, the trier of
fact shall award reasonable attorney's fees and costs to be paid to the public
body by the design professional in an amount which is proportionate to the
liability of the design professional.

2. Any provision of a contract entered into by a public body and a design
professional who is not a member of a design-build team that conflicts with
the provisions of paragraph (d) or (e) of subsection 1 is void.

3. A public body shall not enter into a contract with a design professional
who is not a member of a design-build team for the provision of services in
connection with a public work until 3 days after the public body has
transmitted the information relating to the selection of the design professional
to the licensing board that regulates the design professional, including,
without limitation, the name of the public body, the name of the design
professional [whether the design professional possesses a certificate of
eligibility to receive a preference when competing for public works] and a
brief description of the project and services the design professional was
selected for, and the licensing board has posted such information on its
Internet website. A licensing board shall post any information received
pursuant to this subsection within 1 business day after receiving such
information.

4. As used in this section, "agents" means those persons who are directly
involved in and acting on behalf of the public body or the design
professional, as applicable, in furtherance of the contract or the public work
to which the contract pertains.

Sec. 18. NRS 338.169 is hereby amended to read as follows:
338.169 A public body may construct a public work by:
1. Selecting a construction manager at risk pursuant to the provisions of
NRS 338.1691 to 338.1696, inclusive; and
2. Entering into separate contracts with a construction manager at risk:
   (a) For preconstruction services, including, without limitation:
(1) Assisting the public body in determining whether scheduling or design constructability problems exist that would delay the construction of the public work;
(2) Estimating the cost of the labor and material for the public work; and
(3) Assisting the public body in determining whether the public work can be constructed within the public body's budget; and
(b) To construct the public work.

Sec. 19. **NRS 338.1691 is hereby amended to read as follows:**
338.1691 To qualify to enter into contracts with a public body for preconstruction services and to construct a public work, a construction manager at risk must:
1. Not have been found liable for breach of contract with respect to a previous project, other than a breach for legitimate cause, during the 5 years immediately preceding the date of the advertisement for statements of qualifications pursuant to NRS 338.1692;
2. Not have been disqualified from being awarded a contract pursuant to NRS 338.017, 338.13895, 338.1475 or 408.333;
3. Be licensed as a contractor pursuant to chapter 624 of NRS; and
4. If the project is for the design construction of a public work of the State, be qualified to bid on a public work of the State pursuant to NRS 338.1379.

Sec. 20. **NRS 338.1692 is hereby amended to read as follows:**
338.1692 1. A public body or its authorized representative shall advertise for statements of qualifications proposals for a construction manager at risk in a newspaper qualified pursuant to chapter 238 of NRS that is published in the county where the public work will be performed. If no qualified newspaper is published in the county where the public work will be performed, the required advertisement must be published in some qualified newspaper that is printed in the State of Nevada and has a general circulation in the county.
2. A request for a statement of qualifications proposals published pursuant to subsection 1 must include, without limitation:
   (a) A description of the public work;
   (b) An estimate of the cost of construction;
   (c) A description of the work that the public body expects a construction manager at risk to perform;
   (d) The dates on which it is anticipated that the separate phases of the preconstruction and construction of the public work will begin and end;
   (e) The date by which statements of qualifications proposals must be submitted to the public body;
   (f) If the project is a public work of the State, a statement setting forth that the construction manager at risk must be qualified to bid on a public work of the State pursuant to NRS 338.1379 before submitting a statement of qualifications proposal;
(g) The name, title, address and telephone number of a person employed by the public body that an applicant may contact for further information regarding the public work; and

(h) A list of the selection criteria and relative weight of the selection criteria that will be used to evaluate statements of qualifications; and

(i) A notice that the proposed form of the contract to assist in the preconstruction of the public work or to construct the public work, including, without limitation, the terms and general conditions of the contract, is available from the public body.

3. A statement of qualifications proposal must include, without limitation:

(a) An explanation of the experience that the applicant has with projects of similar size and scope in both the public and private sectors, including, without limitation, an explanation of the experience that the applicant has in assisting in the design of such projects and an explanation of the experience that the applicant has in such projects in Nevada;

(b) The contact information for references who have knowledge of the background, character and technical competence of the applicant;

(c) The applicant's preliminary proposal for managing the preconstruction and construction of the public work;

(d) Evidence of the ability of the applicant to obtain the necessary bonding for the work to be required by the public body;

(e) Evidence that the applicant has obtained or has the ability to obtain such insurance as may be required by law; and

(f) A statement of whether the applicant has been:

(1) Found liable for breach of contract with respect to a previous project, other than a breach for legitimate cause, during the 5 years immediately preceding the date of the advertisement for proposals; and

(2) Disqualified from being awarded a contract pursuant to NRS 338.017, 338.13895, 338.1475 or 408.333.

(f) The professional qualifications and experience of the applicant, including, without limitation, the resume of any employee of the applicant who will be managing the preconstruction and construction of the public work;

(g) The safety programs established and the safety records accumulated by the applicant;

(h) Evidence that the applicant is licensed as a contractor pursuant to chapter 624 of NRS;

(i) The proposed plan of the applicant to manage the preconstruction and construction of the public work which sets forth in detail the ability of the applicant to provide preconstruction services and to construct the public work; and
If the project is for the design of a public work of the State, evidence that the applicant is qualified to bid on a public work of the State pursuant to NRS 338.1379.

Sec. 21. NRS 338.1693 is hereby amended to read as follows:

338.1693 1. The public body or its authorized representative shall appoint a panel consisting of at least three members, at least two of whom must have experience in the construction industry, to rank the proposals submitted to the public body by evaluating the proposals as required pursuant to subsections 2 and 3.

2. The panel shall rank the proposals by:
   (a) Verifying that each applicant satisfies the requirements of NRS 338.1691; and
   (b) Conducting an evaluation of the qualifications of each applicant based on the factors and relative weight assigned to each factor that the public body specified in the request for proposals advertised pursuant to NRS 338.1692. Evaluating and assigning a score to each of the proposals received by the public body based on the factors and relative weight assigned to each factor that the public body specified in the request for proposals.

3. When ranking the proposals, the panel shall assign a relative weight of 5 percent to the possession of a certificate of eligibility to receive a preference in bidding on public works. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this subsection, those provisions of this subsection do not apply insofar as their application would preclude or reduce federal assistance for that work.

4. After the panel ranks the proposals, the public body or its authorized representative shall:
   (a) Make available to the public the rankings of the applicants; and
   (b) Except as otherwise provided in subsection 5, select at least the two but not more than the five applicants that the panel determined to be most qualified as finalists to submit final proposals to the public body pursuant to NRS 338.1694 whose proposals received the highest scores for interviews. During the interview process, the public body or its authorized representative may require the applicants to submit a preliminary proposed amount of compensation for managing the preconstruction and construction of the public work, but in no event shall the proposed amount of compensation exceed 20 percent of the scoring for the selection of the most qualified applicant. After conducting such interviews, the panel shall rank the applicants by using a ranking process that is separate from the process used to rank proposals pursuant to subsection 2 and is based only on information submitted during the interview process. The score to be given for the proposed amount of compensation, if any, must be calculated...
by dividing the lowest of all the proposed amounts of compensation by the applicant's proposed amount of compensation multiplied by the total possible points available to each applicant.

5. If the public body did not receive at least two statements of qualifications from applicants that the panel determines to be qualified pursuant to this section and NRS 338.1691 proposals, the public body may not contract with a construction manager at risk.

6. Upon receipt of the final rankings of the applicants from the panel, the public body or its authorized representative shall enter into negotiations with the most qualified applicant determined pursuant to subsections 2, 3 and 4 for a contract for preconstruction services, unless the public body required the submission of a proposed amount of compensation, in which case the proposed amount of compensation submitted by the applicant must be the amount offered for the contract. If the public body or its authorized representative is unable to negotiate a contract with the most qualified applicant for an amount of compensation that the public body or its authorized representative and the most qualified applicant determine to be fair and reasonable, the public body or its authorized representative shall terminate negotiations with that applicant. The public body or its authorized representative may then undertake negotiations with the next most qualified applicant in sequence until an agreement is reached and, if the negotiation is undertaken by an authorized representative of the public body, approved by the public body or until a determination is made by the public body to reject all applicants.

7. The public body or its authorized representative shall make available to all applicants and the public the final rankings of the applicants and shall provide, upon request, an explanation to any unsuccessful applicant of the reasons why the applicant was unsuccessful.

Sec. 22. NRS 338.1696 is hereby amended to read as follows:

338.1696 1. If a public body enters into a contract with a construction manager at risk for preconstruction services pursuant to NRS 338.1695, 338.1693, after the public body has finalized the design for the public work, or any portion thereof sufficient to determine the provable cost of that portion, the public body shall enter into negotiations with the construction manager at risk for a contract to construct the public work or the portion thereof for the public body for:

(a) The cost of the work, plus a fee, with a guaranteed maximum price;

(b) A fixed price; or

(c) A fixed price plus reimbursement for overhead and other costs and expenses related to the construction of the public work or portion thereof.

2. If the public body is unable to negotiate a satisfactory contract with the construction manager at risk to construct the public work or portion thereof, the public body shall terminate negotiations with that applicant and:

(a) May award the contract for the public work;
(1) If the public body is not a local government, pursuant to the provisions of NRS 338.1377 to 338.139, inclusive.

(2) If the public body is a local government, pursuant to the provisions of NRS 338.1377 to 338.139, inclusive, or 338.143 to 338.148, inclusive:

- Shall accept a bid to construct the public work from the construction manager at risk with whom the public body entered into a contract for preconstruction services.

Sec. 23. NRS 338.1698 is hereby amended to read as follows:

338.1698 A contract awarded to a construction manager at risk pursuant to NRS 338.1695 to 338.1696:

1. Must comply with the provisions of NRS 338.020 to 338.090, inclusive.

2. Must specify a date by which performance of the work required by the contract must be completed.

3. May set forth the terms by which the construction manager at risk agrees to name the public body, at the cost of the public body, as an additional insured in an insurance policy held by the construction manager at risk.

4. Must require that the construction manager at risk to whom a contract is awarded assume overall responsibility for ensuring that the preconstruction or construction of the public work, as applicable, is completed in a satisfactory manner.

5. May include such additional provisions as may be agreed upon by the public body and the construction manager at risk.

Sec. 24. NRS 338.1711 is hereby amended to read as follows:

338.1711 1. Except as otherwise provided in this section and NRS 338.161 to 338.1695, inclusive, and sections 3, 4 and 5 of this act, a public body shall contract with a prime contractor for the construction of a public work for which the estimated cost exceeds $100,000.

2. A public body may contract with a design-build team for the design and construction of a public work that is a discrete project if the public body has approved the use of a design-build team for the design and construction of the public work and the public work:

- Is the construction of a park and appurtenances thereto, the rehabilitation or remodeling of a public building, or the construction of an addition to a public building;

- Has an estimated cost which exceeds $5,000,000.

Sec. 25. NRS 338.1718 is hereby amended to read as follows:

338.1718 1. A construction manager as agent:

(a) Must:

(1) Be a contractor licensed pursuant to chapter 624 of NRS;

(2) Hold a certificate of registration to practice architecture, interior design or residential design pursuant to chapter 623 of NRS; or
(3) Be licensed as a professional engineer pursuant to chapter 625 of NRS.

(b) May enter into a contract with a public body to assist in the planning, scheduling and management of the construction of a public work without assuming any responsibility for the cost, quality or timely completion of the construction of the public work. A construction manager as agent who enters into a contract with a public body pursuant to this section may not:

1. Take part in the design or construction of the public work; or
2. Act as an agent of the public body to select a subcontractor if the work to be performed by the subcontractor is part of a larger public work.

2. A contract between a public body and a construction manager as agent is not required to be awarded by competitive bidding.

Sec. 26. NRS 338.1725 is hereby amended to read as follows:

338.1725 1. The public body shall select at least two but not more than four finalists from among the design-build teams that submitted preliminary proposals. If the public body does not receive at least two preliminary proposals from design-build teams that the public body determines to be qualified pursuant to this section and NRS 338.1721, the public body may not contract with a design-build team for the design and construction of the public work.

2. The public body shall select finalists pursuant to subsection 1 by:

(a) Verifying that each design-build team which submitted a preliminary proposal satisfies the requirements of NRS 338.1721; and
(b) Conducting an evaluation of the qualifications of each design-build team that submitted a preliminary proposal, including, without limitation, an evaluation of:

1. The professional qualifications and experience of the members of the design-build team;
2. The performance history of the members of the design-build team concerning other recent, similar projects completed by those members, if any;
3. The safety programs established and the safety records accumulated by the members of the design-build team; and
4. The proposed plan of the design-build team to manage the design and construction of the public work that sets forth in detail the ability of the design-build team to design and construct the public work; and

(c) Except as otherwise provided in this paragraph, assigning, without limitation, a relative weight of 5 percent to the possession of both a certificate of eligibility to receive a preference in bidding on public works by all contractors on the design-build team and a certificate of eligibility to receive a preference when competing for public works by all design professionals on the design-build team. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this
paragraph relating to a preference in bidding on public works or a preference when competing for public works, those provisions of this paragraph do not apply insofar as their application would preclude or reduce federal assistance for that public work.

3. After the selection of finalists pursuant to this section, the public body shall make available to the public the results of the evaluations of preliminary proposals conducted pursuant to paragraph (b) of subsection 2 and identify which of the finalists, if any, received an assignment of 5 percent pursuant to paragraph (c) of subsection 2.

Sec. 27. NRS 338.1727 is hereby amended to read as follows:

338.1727 1. After selecting the finalists pursuant to NRS 338.1725, the public body shall provide to each finalist a request for final proposals for the public work. The request for final proposals must:

(a) Set forth the factors that the public body will use to select a design-build team to design and construct the public work, including the relative weight to be assigned to each factor; and

(b) Set forth the date by which final proposals must be submitted to the public body.

2. If one or more of the finalists selected pursuant to NRS 338.1725 is disqualified or withdraws, the public body may select a design-build team from the remaining finalist or finalists.

3. Except as otherwise provided in this subsection, in assigning the relative weight to each factor for selecting a design-build team pursuant to subsection 1, the public body shall assign, without limitation, a relative weight of 5 percent to the possession of both a certificate of eligibility to receive a preference in bidding on public works by all contractors on the design-build team and a certificate of eligibility to receive a preference when competing for public works by all design professionals on the design-build team, and a relative weight of at least 30 percent to the proposed cost of design and construction of the public work. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this subsection relating to a preference in bidding on public works or a preference when competing for public works, those provisions of this subsection do not apply insofar as their application would preclude or reduce federal assistance for that public work.

4. A final proposal submitted by a design-build team pursuant to this section must be prepared thoroughly and be responsive to the criteria that the public body will use to select a design-build team to design and construct the public work described in subsection 1. A design-build team that submits a final proposal which is not responsive shall not be awarded the contract and shall not be eligible for the partial reimbursement of costs provided for in subsection 7.
5. A final proposal is exempt from the requirements of NRS 338.141.

6. After receiving and evaluating the final proposals for the public work, the public body shall [at a regularly scheduled meeting] or its authorized representative shall:

   (a) Select the final proposal, enter into negotiations with the most qualified applicant, as determined pursuant to the criteria set forth pursuant to subsections 1 and 3, and award the design-build contract to the design-build team whose proposal is selected.

   (b) Reject all the final proposals. If the public body or its authorized representative is unable to negotiate with the most qualified applicant a contract that is determined by the parties to be fair and reasonable, the public body may terminate negotiations with that applicant. The public body or its authorized representative may then undertake negotiations with the next most qualified applicant in sequence until an agreement is reached and, if the negotiation is undertaken by an authorized representative of the public body, approved by the public body or until a determination is made by the public body to reject all applicants.

7. If a public body selects a final proposal and awards a design-build contract pursuant to paragraph (a) of subsection 6, the public body shall:

   (a) Partially reimburse the unsuccessful finalists if partial reimbursement was provided for in the request for preliminary proposals pursuant to paragraph (j) of subsection 2 of NRS 338.1723. The amount of reimbursement must not exceed, for each unsuccessful finalist, 3 percent of the total amount to be paid to the design-build team as set forth in the design-build contract.

   (b) Make available to the public the results of the evaluation of final proposals that was conducted and the ranking of the design-build teams who submitted final proposals. The public body shall not release to a third party, or otherwise make public, financial or proprietary information submitted by a design-build team.

8. A contract awarded pursuant to this section:

   (a) Must comply with the provisions of NRS 338.020 to 338.090, inclusive.

   (b) Must specify:

      (1) An amount that is the maximum amount that the public body will pay for the performance of all the work required by the contract, excluding any amount related to costs that may be incurred as a result of unexpected conditions or occurrences as authorized by the contract;

      (2) An amount that is the maximum amount that the public body will pay for the performance of the professional services required by the contract; and

      (3) A date by which performance of the work required by the contract must be completed.
(c) May set forth the terms by which the design-build team agrees to name the public body, at the cost of the public body, as an additional insured in an insurance policy held by the design-build team.

(d) Except as otherwise provided in paragraph (e), must not require the design professional to defend, indemnify or hold harmless the public body or the employees, officers or agents of that public body from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers and agents of the public body.

(e) May require the design-build team to defend, indemnify and hold harmless the public body, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the design-build team or the employees or agents of the design-build team in the performance of the contract.

(f) Must require that the design-build team to whom a contract is awarded assume overall responsibility for ensuring that the design and construction of the public work is completed in a satisfactory manner.

9. Upon award of the design-build contract, the public body shall make available to the public copies of all preliminary and final proposals received.

Sec. 28. NRS 338.1727 is hereby amended to read as follows:

338.1727 1. After selecting the finalists pursuant to NRS 338.1725, the public body shall provide to each finalist a request for final proposals for the public work. The request for final proposals must:

(a) Set forth the factors that the public body will use to select a design-build team to design and construct the public work, including the relative weight to be assigned to each factor; and

(b) Set forth the date by which final proposals must be submitted to the public body.

2. If one or more of the finalists selected pursuant to NRS 338.1725 is disqualified or withdraws, the public body may select a design-build team from the remaining finalist or finalists.

3. Except as otherwise provided in this subsection, in assigning the relative weight to each factor for selecting a design-build team pursuant to subsection 1, the public body shall assign, without limitation, a relative weight of 5 percent to the possession of both a certificate of eligibility to receive a preference in bidding on public works by all contractors on the design-build team and a certificate of eligibility to receive a preference when competing for public works by all design professionals on the design-build team, and a relative weight of at least 30 percent to the proposed cost of design and construction of the public work. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this subsection relating to a preference in bidding on public
works, or a preference when competing for public works, those provisions of this subsection do not apply insofar as their application would preclude or reduce federal assistance for that public work.

4. A final proposal submitted by a design-build team pursuant to this section must be prepared thoroughly and be responsive to the criteria that the public body will use to select a design-build team to design and construct the public work described in subsection 1. A design-build team that submits a final proposal which is not responsive shall not be awarded the contract and shall not be eligible for the partial reimbursement of costs provided for in subsection 7.

5. A final proposal is exempt from the requirements of NRS 338.141.

6. After receiving and evaluating the final proposals for the public work, the public body or its authorized representative shall enter into negotiations with the most qualified applicant, as determined pursuant to the criteria set forth pursuant to subsections 1 and 3, and award the design-build contract to the design-build team whose proposal is selected. If the public body or its authorized representative is unable to negotiate with the most qualified applicant a contract that is determined by the parties to be fair and reasonable, the public body may terminate negotiations with that applicant. The public body or its authorized representative may then undertake negotiations with the next most qualified applicant in sequence until an agreement is reached and, if the negotiation is undertaken by an authorized representative of the public body, approved by the public body or until a determination is made by the public body to reject all applicants.

7. If a public body selects a final proposal and awards a design-build contract pursuant to subsection 6, the public body shall:
   (a) Partially reimburse the unsuccessful finalists if partial reimbursement was provided for in the request for preliminary proposals pursuant to paragraph (j) of subsection 2 of NRS 338.1723. The amount of reimbursement must not exceed, for each unsuccessful finalist, 3 percent of the total amount to be paid to the design-build team as set forth in the design-build contract.
   (b) Make available to the public the results of the evaluation of final proposals that was conducted and the ranking of the design-build teams who submitted final proposals. The public body shall not release to a third party, or otherwise make public, financial or proprietary information submitted by a design-build team.

8. A contract awarded pursuant to this section:
   (a) Must comply with the provisions of NRS 338.020 to 338.090, inclusive.
   (b) Must specify:
       (1) An amount that is the maximum amount that the public body will pay for the performance of all the work required by the contract, excluding any amount related to costs that may be incurred as a result of unexpected conditions or occurrences as authorized by the contract;
(2) An amount that is the maximum amount that the public body will pay for the performance of the professional services required by the contract; and

(3) A date by which performance of the work required by the contract must be completed.

(c) May set forth the terms by which the design-build team agrees to name the public body, at the cost of the public body, as an additional insured in an insurance policy held by the design-build team.

(d) Except as otherwise provided in paragraph (e), must not require the design professional to defend, indemnify or hold harmless the public body or the employees, officers or agents of that public body from any liability, damage, loss, claim, action or proceeding caused by the negligence, errors, omissions, recklessness or intentional misconduct of the employees, officers and agents of the public body.

(e) May require the design-build team to defend, indemnify and hold harmless the public body, and the employees, officers and agents of the public body from any liabilities, damages, losses, claims, actions or proceedings, including, without limitation, reasonable attorneys' fees, that are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the design-build team or the employees or agents of the design-build team in the performance of the contract.

(f) Must require that the design-build team to whom a contract is awarded assume overall responsibility for ensuring that the design and construction of the public work is completed in a satisfactory manner.

9. Upon award of the design-build contract, the public body shall make available to the public copies of all preliminary and final proposals received.

Sec. 29. NRS 338.485 is hereby amended to read as follows:

338.485 1. A person may not waive or modify a right, obligation or liability set forth in the provisions of NRS 338.400 to 338.645, inclusive.

2. A condition, stipulation or provision in a contract or other agreement that:

(a) Requires a person to waive a right set forth in the provisions of NRS 338.400 to 338.645, inclusive;

(b) Relieves a person of an obligation or liability imposed by the provisions of NRS 338.400 to 338.645, inclusive;

(c) Requires a contractor to waive, release or extinguish a claim or right for damages or an extension of time that the contractor may otherwise possess or acquire as a result of a delay that is:

(1) So unreasonable in length as to amount to an abandonment of the public work;

(2) Caused by fraud, misrepresentation, concealment or other bad faith by the public body;

(3) Caused by active interference by the public body; or

(4) Caused by a decision by the public body to significantly add to the scope or duration of the public work; or
(d) Requires a contractor or public body to be responsible for any consequential damages suffered or incurred by the other party that arise from or relate to a contract for a public work, including, without limitation, rental expenses or other damages resulting from a loss of use or availability of the public work, lost income, lost profit, lost financing or opportunity, business or reputation, and loss of management or employee availability, productivity, opportunity or services, is against public policy and is void and unenforceable.

3. The provisions of subsection 2 do not prohibit the use of a liquidated damages clause which otherwise satisfies the requirements of law.

Sec. 6. NRS 408.3883 is hereby amended to read as follows:

408.3883 1. The Department shall advertise for preliminary proposals for the design and construction of a project by a design-build team in a newspaper of general circulation in this State.

2. A request for preliminary proposals published pursuant to subsection 1 must include, without limitation:
   (a) A description of the proposed project;
   (b) Separate estimates of the costs of designing and constructing the project;
   (c) The dates on which it is anticipated that the separate phases of the design and construction of the project will begin and end;
   (d) The date by which preliminary proposals must be submitted to the Department, which must not be less than 30 days after the date that the request for preliminary proposals is first published in a newspaper pursuant to subsection 1; and
   (e) A statement setting forth the place and time in which a design-build team desiring to submit a proposal for the project may obtain the information necessary to submit a proposal, including, without limitation, the information set forth in subsection 3.

3. The Department shall maintain at the time and place set forth in the request for preliminary proposals the following information for inspection by a design-build team desiring to submit a proposal for the project:
   (a) The extent to which designs must be completed for both preliminary and final proposals and any other requirements for the design and construction of the project that the Department determines to be necessary;
   (b) A list of the requirements set forth in NRS 408.3884;
   (c) A list of the factors that the Department will use to evaluate design-build teams who submit a proposal for the project, including, without limitation:
      (1) The relative weight to be assigned to each factor pursuant to NRS 408.3886; and
      (2) A disclosure of whether the factors that are not related to cost are, when considered as a group, more or less important in the process of evaluation than the factor of cost;
(d) Notice that a design-build team desiring to submit a proposal for the project must include with its proposal the information used by the Department to determine finalists among the design-build teams submitting proposals pursuant to subsection 2 of NRS 408.3885 and a description of that information;

(e) A statement that a design-build team whose prime contractor holds a certificate of eligibility to receive a preference in bidding on public works issued pursuant to NRS 338.1389 or 338.147 and whose members who hold a certificate of registration to practice architecture or a license as a professional engineer and who hold a certificate of eligibility to receive a preference when competing for public works issued pursuant to section 2 of this act should submit a copy of each certificate of eligibility with its proposal; and

(f) A statement as to whether a design-build team that is selected as a finalist pursuant to NRS 408.3885 but is not awarded the design-build contract pursuant to NRS 408.3886 will be partially reimbursed for the cost of preparing a final proposal or best and final offer, or both, and, if so, an estimate of the amount of the partial reimbursement.

Sec. 7. NRS 408.3885 is hereby amended to read as follows:

408.3885 1. The Department shall select at least three but not more than five finalists from among the design-build teams that submitted preliminary proposals. If the Department does not receive at least three preliminary proposals from design-build teams that the Department determines to be qualified pursuant to this section and NRS 408.3884, the Department may not contract with a design-build team for the design and construction of the project.

2. The Department shall select finalists pursuant to subsection 1 by:

(a) Verifying that each design-build team which submitted a preliminary proposal satisfies the requirements of NRS 408.3884;

(b) Conducting an evaluation of the qualifications of each design-build team that submitted a preliminary proposal, including, without limitation, an evaluation of:

(1) The professional qualifications and experience of the members of the design-build team;

(2) The performance history of the members of the design-build team concerning other recent, similar projects completed by those members, if any;

(3) The safety programs established and the safety records accumulated by the members of the design-build team;

(4) The proposed plan of the design-build team to manage the design and construction of the project that sets forth in detail the ability of the design-build team to design and construct the project; and
(5) The degree to which the preliminary proposal is responsive to the requirements of the Department for the submittal of a preliminary proposal; and

(c) Except as otherwise provided in this paragraph, assigning, without limitation, a relative weight of 5 percent to the possession of both a certificate of eligibility to receive a preference in bidding on public works by the prime contractor on the design-build team and a certificate of eligibility to receive a preference when competing for public works by all persons who hold a certificate of registration to practice architecture or a license as a professional engineer on the design-build team. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this paragraph relating to a preference in bidding on public works or a preference when competing for public works, those provisions of this paragraph do not apply insofar as their application would preclude or reduce federal assistance for that public work.

3. After the selection of finalists pursuant to this section, the Department shall make available to the public the results of the evaluations of preliminary proposals conducted pursuant to paragraph (b) of subsection 2 and identify which of the finalists, if any, received an assignment of 5 percent pursuant to paragraph (c) of subsection 2.

[Sec. 32. NRS 408.3886 is hereby amended to read as follows:

408.3886 1. After selecting the finalists pursuant to NRS 408.3885, the Department shall provide to each finalist a request for final proposals for the project. The request for final proposals must:

(a) Set forth the factors that the Department will use to select a design-build team to design and construct the project, including the relative weight to be assigned to each factor; and

(b) Set forth the date by which final proposals must be submitted to the Department.

2. Except as otherwise provided in this subsection, in assigning the relative weight to each factor for selecting a design-build team pursuant to subsection 1, the Department shall assign, without limitation, a relative weight of 5 percent to the possession of both a certificate of eligibility to receive a preference in bidding on public works by the prime contractor on the design-build team and a certificate of eligibility to receive a preference when competing for public works by all persons who hold a certificate of registration to practice architecture or a license as a professional engineer on the design-build team, and a relative weight of at least 30 percent for the proposed cost of design and construction of the project. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular project because of the provisions of this subsection relating to a preference in bidding on public works or a preference when competing for public works, those provisions of this
subsection do not apply insofar as their application would preclude or reduce federal assistance for that project.

3. A final proposal submitted by a design-build team pursuant to this section must be prepared thoroughly, be responsive to the criteria that the Department will use to select a design-build team to design and construct the project described in subsection 1 and comply with the provisions of NRS 338.141.

4. After receiving the final proposals for the project, the Department shall:
   (a) Select the most cost-effective and responsive final proposal, using the criteria set forth pursuant to subsections 1 and 2;
   (b) Reject all the final proposals; or
   (c) Request best and final offers from all finalists in accordance with subsection 5.

5. If the Department determines that no final proposal received is cost-effective or responsive and the Department further determines that requesting best and final offers pursuant to this subsection will likely result in the submission of a satisfactory offer, the Department may prepare and provide to each finalist a request for best and final offers for the project. In conjunction with preparing a request for best and final offers pursuant to this subsection, the Department may alter the scope of the project, revise the estimates of the costs of designing and constructing the project, and revise the selection factors and relative weights described in paragraph (a) of subsection 1. A request for best and final offers prepared pursuant to this subsection must set forth the date by which best and final offers must be submitted to the Department. After receiving the best and final offers, the Department shall:
   (a) Select the most cost-effective and responsive best and final offer, using the criteria set forth in the request for best and final offers; or
   (b) Reject all the best and final offers.

6. If the Department selects a final proposal pursuant to paragraph (a) of subsection 4 or selects a best and final offer pursuant to paragraph (a) of subsection 5, the Department shall hold a public meeting to:
   (a) Review and ratify the selection.
   (b) Partially reimburse the unsuccessful finalists if partial reimbursement was provided for in the request for preliminary proposals pursuant to paragraph (f) of subsection 3 of NRS 408.3883. The amount of reimbursement must not exceed, for each unsuccessful finalist, 3 percent of the total amount to be paid to the design-build team as set forth in the design-build contract.
   (c) Make available to the public a summary setting forth the factors used by the Department to select the successful design-build team and the ranking of the design-build teams who submitted final proposals and, if applicable, best and final offers. The Department shall not release to a third party, or
otherwise make public, financial or proprietary information submitted by a design-build team.

7. A contract awarded pursuant to this section:
   (a) Must comply with the provisions of NRS 338.020 to 338.090, inclusive; and
   (b) Must specify:
       (1) An amount that is the maximum amount that the Department will pay for the performance of all the work required by the contract, excluding any amount related to costs that may be incurred as a result of unexpected conditions or occurrences as authorized by the contract;
       (2) An amount that is the maximum amount that the Department will pay for the performance of the professional services required by the contract; and
       (3) A date by which performance of the work required by the contract must be completed.

8. A design-build team to whom a contract is awarded pursuant to this section shall:
   (a) Assume overall responsibility for ensuring that the design and construction of the project is completed in a satisfactory manner; and
   (b) Use the workforce of the prime contractor on the design-build team to construct at least 15 percent of the project.

Sec. 33. NRS 625.530 is hereby amended to read as follows:

625.530 Except as otherwise provided in NRS 338.1711 to 338.1727, inclusive, and section 2 of this act and 408.3875 to 408.3887, inclusive:

1. 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. The provisions of this section do not:
   (a) 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) Include any maintenance work undertaken by the State of Nevada or its political subdivisions.
   (c) Authorize a professional engineer, registered architect or professional land surveyor to practice in violation of any of the provisions of this chapter or chapter 623 of NRS.
   (d) 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. The selection of a professional engineer, professional land surveyor or registered architect to perform services pursuant to subsection 1 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. Except as otherwise provided in this subsection, in assigning the relative weight to each factor for selecting a professional engineer, professional land surveyor or registered architect pursuant to this subsection, the public agency shall assign, without limitation, a relative weight of 5 percent to the possession of a certificate of eligibility to receive a preference when competing for public works. If any federal statute or regulation precludes the granting of federal assistance or reduces the amount of that assistance for a particular public work because of the provisions of this subsection relating to a preference when competing for public works, those provisions of this subsection do not apply insofar as their application would preclude or reduce federal assistance for that public work.

Sec. 34. NRS 338.1694, 338.1695 and 338.1699 are hereby repealed.

Sec. 35. 1. The State Board of Architecture, Interior Design and Residential Design, the State Board of Landscape Architecture and the State Board of Professional Engineers and Land Surveyors shall, before October 1, 2011, adopt any regulations which are required by or necessary to carry out the provisions of this act.

2. The State Public Works Board shall, as soon as practicable after the effective date of this section, adopt regulations governing the acts required by subsection 9 of section 5 of this act.

Sec. 36. 1. The State Public Works Board and each local government that awards a contract pursuant to NRS 338.1727, as amended by section 28 of this act, or NRS 408.3886, as amended by section 32 of this act, or selects a professional engineer, professional land surveyor or registered architect pursuant to NRS 625.530, as amended by section 33 of this act, shall, on or before October 1 of the year in which it awards such a contract or makes such a selection, submit to the Director of the Legislative Counsel Bureau a report detailing those contracts and selections on the form prescribed by the Committee on Local Government Finance.

2. Before August 1, 2011, the Committee on Local Government Finance created pursuant to NRS 354.105 shall prescribe a form for the report described in subsection 1, which must include, without limitation:
   (a) The total number of contracts and selections described in subsection 1 awarded and made by the State Public Works Board or local government during the year to which the report pertains; and
   (b) A description of each such contract or selection, including, without limitation:
(1) The name of the person or entity who was selected or to whom the contract was awarded.
(2) The particular type of goods or services involved in the contract or selection.
(3) The dollar amount of the contract or selection.
(4) Whether the person or entity who was selected or to whom the contract was awarded was awarded the contract or selected as a result of the person or entity possessing a certificate of eligibility to receive a preference when competing for public works pursuant to subsection 1, 2 or 3 of section 2 of this act.
(5) If the person or entity who was selected or to whom the contract was awarded did not possess a certificate for eligibility to receive a preference when competing for public works pursuant to subsection 1, 2 or 3 of section 2 of this act, the number of persons or entities that did possess such a certificate that bid on the contract or were considered for selection.

Sec. 37. The provisions of sections 4 and 5 of this act apply only to contracts entered into on or after July 1, 2011.

Sec. 38. 1. This section and sections 1, 3 to 6, inclusive, 10 to 15, inclusive, 18 to 25, inclusive, 27, 29, 34, 35 and 37 of this act become effective:
(a) Upon passage and approval for the purposes of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
(b) On July 1, 2011, for all other purposes.

2. Sections 2, 7, 16, 26, 28, 30 to 33, inclusive, and 36 of this act become effective:
(a) Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of those sections; and
(b) On October 1, 2011, for all other purposes.

3. Section 8 of this act becomes effective on July 1, 2013.

4. Sections 2, 26, 28, 30 to 33, inclusive, and 36 of this act expire by limitation on September 30, 2013.

5. Sections 9 and 17 of this act become effective on October 1, 2013.

TEXT OF REPEALED SECTIONS

NRS 338.1694  Final proposals: Requests; requirements.

1. After the finalists are selected pursuant to paragraph (b) of subsection 4 of NRS 338.1693, the public body shall provide to each finalist a request for final proposals. The request for final proposals must:
(a) Set forth the date by which final proposals must be submitted to the public body;
(b) Set forth the proposed forms of the contract to assist in the preconstruction of the public work and the contract to construct the
public work that include, without limitation, the proposed terms and

- (c) Set forth the selection criteria and relative weight of the selection
criteria that will be used to evaluate the final proposals.

2. A final proposal must include, without limitation:

- (a) The professional qualifications and experience of the applicant,
including, without limitation, the resumes of any employees of the
applicant who will be managing the preconstruction and construction of
the public work;

- (b) The performance history of the applicant concerning other recent,
similar projects completed by the applicant, if any;

- (c) The safety programs established and the safety records
accumulated by the applicant;

- (d) The proposed plan of the applicant to manage the preconstruction
and construction of the public work, which plan sets forth in detail the
ability of the applicant to provide preconstruction services and to
construct the public work; and

- (e) A proposed plan of the applicant for the selection of any necessary
subcontractors.

NRS 338.1695  Ranking of applicants based on final proposals and
interviews; negotiations with certain applicants for contract for
preconstruction services; availability to applicants and public of certain
information.

1. The panel appointed by the public body pursuant to
NRS 338.1693 shall evaluate and assign a score to each of the final
proposals received by the public body based on the factors and relative
weight assigned to each factor that the public body specified in the
request for final proposals. The panel shall interview the two or three
applicants whose final proposals received the highest scores. After
conducting such interviews, the panel shall rank the applicants based on
the final proposals and interviews, which must be given equal weight.

2. Upon receipt of the final rankings of the applicants from the
panel, the public body shall enter into negotiations with the most
qualified applicant determined pursuant to subsection 1 for a contract
for preconstruction services. If the public body is unable to negotiate
a contract with the most qualified applicant at an amount of compensation
that the public body and the most qualified applicant determine to be
fair and reasonable, the public body shall terminate negotiations with
that applicant. The public body may then undertake negotiations with
the next most qualified applicant in sequence until an agreement is
reached or a determination is made by the public body to reject all
applicants.

3. The public body shall make available to the applicants and the
public the results of the evaluations of final proposals and interviews
conducted pursuant to subsection 1 and the final rankings of the applicants.

NRS 338.1699 Subcontractors on public works for which contractor at risk was awarded contract: Eligibility; submission of list to public body.

1. To be eligible to provide materials, equipment, work or other services on a public work for which a construction manager at risk was awarded a contract pursuant to NRS 338.1696, a subcontractor must be:
   (a) Licensed pursuant to chapter 624 of NRS; and
   (b) Selected by the construction manager at risk based on the process of competitive bidding set forth in the applicable provisions of NRS 338.1373 to 338.148, inclusive.

2. A construction manager at risk to whom a contract for the construction of a public work is awarded pursuant to NRS 338.1696 shall submit to the public body that awarded the contract a list containing the names of each subcontractor with whom the construction manager at risk intends to enter into a contract for the provision of materials, equipment, work or other services on the public work.

Senator Lee moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 268.

Motion carried.

Bill ordered transmitted to the Assembly.

Senate Bill No. 136.

The following Assembly amendments were read:

Amendment No. 724.

"SUMMARY—Revises certain provisions governing certain real property held by banks and financial institutions. (BDR 55-737)"

"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; 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) This bill 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. 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.

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:

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. 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 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 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 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.
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;

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;

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;

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

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, 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 intends to acquire 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 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) **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, 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 25 percent of its required stockholders' equity in cash 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 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 $500,000 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 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.

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
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. This act becomes effective upon passage and approval.

Amendment No. 811.
"SUMMARY—Revises certain provisions governing financial institutions. (BDR 55-737)"
"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. Except as otherwise provided in subsection 4, real property acquired through the collection of debts due it may not be held for longer than 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 stockholders' equity pursuant to NR S 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. 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 nonaffiliate
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 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 intends to acquire 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 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) 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, 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 25 percent of its required stockholders' equity in cash 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
The remaining amount of 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 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 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.

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 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. 11. This act becomes effective upon passage and approval.

Senator Schneider moved that the Senate do not concur in the Assembly amendments to Senate Bill No. 136.

Motion carried. Bill ordered transmitted to the Assembly.

Senate Bill No. 365.

The following Assembly amendment was read:

Amendment No. 639.

"SUMMARY—Eliminates certain mandates pertaining to school districts and public schools in this State. (BDR 34-184)"

"AN ACT relating to education; eliminating certain requirements imposed by statute on school districts and public schools in this State; authorizing the board of trustees of each school district to review certain plans, policies, programs and procedures; requiring the board of trustees of certain school districts to adopt a pilot program to provide a program of small learning communities in certain middle schools, junior high schools and high schools; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Under existing law, the board of trustees of each school district is required to adopt a policy to engage certain administrators in the classroom. (NRS 391.235) Section 21.5 of this bill makes the adoption of such a policy permissive rather than mandatory.

Under existing federal law, a school which is served under Title I and which is identified as needing improvement pursuant to the federal law is required to develop and implement a school improvement plan. (20 U.S.C. § 6316(b)(3)) Also under existing federal law, a school district which is served under Title I and which is identified as needing improvement pursuant to the federal law is required to develop and implement a plan for improvement for the school district. (20 U.S.C. § 6316(c)(7)) Under existing state law, the board of trustees of each school district is required to prepare a plan to improve the achievement of pupils enrolled in the school district. (NRS 385.348) Also under existing law, the principal of each public school is required to prepare a plan to improve the achievement of pupils enrolled in the school. This bill repeals both of those state statutory requirements relating to plans for improvement.
Under existing law, certain school districts in this State are required to adopt a policy providing for the creation of small learning communities for certain pupils enrolled in middle school or junior high school and high school. (NRS 388.171, 388.215) This bill repeals these statutory requirements.

Under existing law, the boards of trustees of school districts are required to enforce in the public schools the use of textbooks prescribed by the State Board of Education. (NRS 390.220) This bill repeals that statutory requirement. Section 21.3 of this bill requires the board of trustees of each school district which includes at least one high school with an enrollment of 1,200 pupils or more to adopt a pilot program of small learning communities for implementation in at least 50 percent of those high schools. Section 36.3 of this bill requires the board of trustees of each school district which includes at least one middle school or junior high school with an enrollment of 500 pupils or more to adopt a pilot program of small learning communities for pupils in their initial year of enrollment for implementation in at least 50 percent of those schools. Sections 36.5 and 38 of this bill require both pilot programs to be implemented beginning with the 2013-2014 school year.

Under existing law, effective on July 1, 2011, an academic plan must be developed for each pupil enrolled in middle school or junior high school in accordance with a policy adopted by the board of trustees of the school district. Section 36.5 of this bill extends the date for adoption of such a policy to January 1, 2013, for implementation beginning with the 2013-2014 school year.

Section 37.5 of this bill authorizes the board of trustees of each school district to review certain plans, policies, programs and procedures. If the board of trustees of a school district conducts such a review, the board of trustees is required to prepare a written report on the plans, policies, programs and procedures which the board of trustees determines place an unfunded mandate and an undue financial hardship on the school district and submit the written report, on or before August 1, 2012, to the Legislative Committee on Education and the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

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. NRS 385.359 is hereby amended to read as follows:

385.359 1. The Bureau shall contract with a person or entity to:

(a) Review and analyze, in accordance with the standards prescribed by the Committee pursuant to subsection 2 of NRS 218E.615, the:

(1) Annual report of accountability prepared by:

(I) The State Board pursuant to NRS 385.3469; and
(II) The board of trustees of each school district pursuant to NRS 385.347.

(2) Plan to improve the achievement of pupils prepared by:

(I) The State Board pursuant to NRS 385.34691; and

(II) The board of trustees of each school district pursuant to NRS 385.348; and

(III) Each school pursuant to NRS 385.357 identified by the Bureau for review, if any, or if such a plan has not been prepared, the turnaround plan for the schools identified by the Bureau, if any, implemented pursuant to NRS 385.37603 or the plan for restructuring the school implemented pursuant to NRS 385.37607, as applicable.

(b) Submit a written report to and consult with the State Board and the Department regarding any methods by which the State Board may improve the accuracy of the report of accountability required pursuant to NRS 385.3469 and the plan to improve the achievement of pupils required pursuant to NRS 385.34691, and the purposes for which the report and plan to improve are used.

(c) Submit a written report to and consult with each school district regarding any methods by which the district may improve the accuracy of the report required pursuant to subsection 2 of NRS 385.347 and the plan to improve the achievement of pupils required pursuant to NRS 385.348, and the purposes for which the report and plan to improve are used.

(d) If requested by the Bureau, submit a written report to and consult with individual schools identified by the Bureau regarding any methods by which the school may improve the accuracy of the information required to be reported for the school pursuant to subsection 2 of NRS 385.347 and the:  

(1) Plan to improve the achievement of pupils required pursuant to NRS 385.357;  

(2) Turnaround plan for the school implemented pursuant to NRS 385.37603; or  

(3) Plan for restructuring the school implemented pursuant to NRS 385.37607, whichever is applicable for the school.

(e) Submit written reports and any recommendations to the Committee and the Bureau concerning:

(1) The effectiveness of the provisions of NRS 385.3455 to 385.391, inclusive, in improving the accountability of the schools of this State;

(2) The status of each school district that is designated as demonstrating need for improvement pursuant to NRS 385.377 and each school that is designated as demonstrating need for improvement pursuant to NRS 385.3623; and

(3) Any other matter related to the accountability of the public schools of this State, as deemed necessary by the Bureau.
2. The consultant with whom the Bureau contracts to perform the duties required pursuant to subsection 1 must possess the experience and knowledge necessary to perform those duties, as determined by the Committee.

Sec. 4. (Deleted by amendment.)

Sec. 4.5. NRS 385.36127 is hereby amended to read as follows:

385.36127 1. If a school support team is established pursuant to the regulations adopted by the State Board pursuant to NRS 385.361, the support team shall:

(a) Review and analyze the operation of the school, including, without limitation, the design and operation of the instructional program of the school.

(b) Review and analyze the data pertaining to the school upon which the report required pursuant to subsection 2 of NRS 385.347 is based and review and analyze any data that is more recent than the data upon which the report is based.

(c) Review the most recent plan to improve the achievement of the school's pupils.

(d) Review the information concerning the educational involvement accord provided to the support team pursuant to NRS 392.4575 and the information concerning the reports provided to the support team pursuant to NRS 392.456.

(e) Identify and investigate the problems and factors at the school that contributed to the designation of the school as demonstrating need for improvement.

(f) Assist the school in developing recommendations for improving the performance of pupils who are enrolled in the school.

(g) Except as otherwise provided in this paragraph, make recommendations to the board of trustees of the school district, the State Board and the Department concerning additional assistance for the school in carrying out the turnaround plan for the school or the plan for restructuring the school, whichever is applicable for the school. For a charter school sponsored by the State Board, the support team shall make the recommendations to the State Board and the Department. For a charter school sponsored by a college or university within the Nevada System of Higher Education, the support team shall make the recommendations to the sponsor, the State Board and the Department.

(h) In accordance with its findings pursuant to this section and NRS 385.36129, submit, on or before November 1, written revisions to the most recent plan to improve the achievement of the school's pupils for approval pursuant to NRS 385.357, or submit, on or before May 1, written recommendations for revisions to the turnaround plan for the school implemented pursuant to NRS 385.37603 or the plan for restructuring the school implemented pursuant to NRS 385.37607, whichever is applicable for the school. The written revisions or recommendations, as applicable, must:
(1) Comply with NRS 385.357 if the school has demonstrated need for improvement for less than 5 years or with NRS 385.37603 or 385.37607, as applicable, if the school has demonstrated need for improvement for 5 or more consecutive years;

(2) If the school is a Title I school, be developed in consultation with parents and guardians of pupils enrolled in the school and, to the extent deemed appropriate by the entity that created the support team, outside experts;

(3) Include the data and findings of the support team that provide support for the revisions;

(4) Set forth goals, objectives, tasks and measures for the school that are:

(I) Designed to improve the achievement of the school's pupils;

(II) Specific;

(III) Measurable; and

(IV) Conducive to reliable evaluation;

(5) Set forth a timeline to carry out the revisions;

(6) Set forth priorities for the school in carrying out the revisions; and

(7) Set forth the name and duties of each person who is responsible for carrying out the revisions.

(i) Except as otherwise provided in this paragraph, work cooperatively with the board of trustees of the school district in which the school is located, the employees of the school, and the parents and guardians of pupils enrolled in the school to carry out and monitor the plan for improvement of the school. If a charter school is sponsored by the State Board, the Department shall assist the school with carrying out and monitoring the plan for improvement of the school. If a charter school is sponsored by a college or university within the Nevada System of Higher Education, that institution shall assist the school with carrying out and monitoring the plan for improvement of the school.

(j) Prepare a quarterly progress report in the format prescribed by the Department and:

(1) Submit the progress report to the Department.

(2) Distribute copies of the progress report to each employee of the school for review.

(k) In addition to the requirements of this section, if the support team is established for a Title I school, carry out the requirements of 20 U.S.C. § 6317(a)(5).

2. A school support team may require the school for which the support team was established to submit plans, strategies, tasks and measures that, in the determination of the support team, will assist the school in improving the achievement and proficiency of pupils enrolled in the school.

3. The Department shall prescribe a concise quarterly progress report for use by each support team in accordance with paragraph (j) of subsection 1.
Sec. 5. (Deleted by amendment.)

Sec. 5.5. **NRS 385.36129 is hereby amended to read as follows:**

385.36129 1. In addition to the duties prescribed in NRS 385.36127, a support team established for a school shall prepare an annual written report that includes:

(a) Information concerning the [most recent plan to improve the achievement of the school’s pupils, the turnaround plan for the school or the plan for restructuring the school, whichever is applicable for the school, including, without limitation, an evaluation of:

(1) The appropriateness of the plan for the school; and

(2) Whether the school has achieved the goals and objectives set forth in the plan;

(b) The [written revisions to the plan to improve the achievement of the school’s pupils or] written recommendations for revisions to the turnaround plan for the school or the plan for restructuring the school, whichever is applicable for the school, submitted by the support team pursuant to NRS 385.36127;

(c) A summary of each program for remediation, if any, purchased for the school with money that is available from the Federal Government, this state and the school district in which the school is located, including, without limitation:

(1) The name of the program;

(2) The date on which the program was purchased and the date on which the program was carried out by the school;

(3) The percentage of personnel at the school who were trained regarding the use of the program;

(4) The satisfaction of the personnel at the school with the program; and

(5) An evaluation of whether the program has improved the academic achievement of the pupils enrolled in the school who participated in the program;

(d) An analysis of the problems and factors at the school which contributed to the designation of the school as demonstrating need for improvement, including, without limitation, issues relating to:

(1) The financial resources of the school;

(2) The administrative and educational personnel of the school;

(3) The curriculum of the school;

(4) The facilities available at the school, including the availability and accessibility of educational technology; and

(5) Any other factors that the support team believes contributed to the designation of the school as demonstrating need for improvement; and

(e) Other information concerning the school, including, without limitation:

(1) The results of the pupils who are enrolled in the school on the examinations that are administered pursuant to NRS 389.550 or the high school proficiency examination, as applicable;
(2) Records of the attendance and truancy of pupils who are enrolled in the school;
(3) The transiency rate of pupils who are enrolled in the school;
(4) A description of the number of years that each teacher has provided instruction at the school and the rate of turnover of teachers and other educational personnel employed at the school;
(5) A description of the participation of parents and legal guardians in the educational process and other activities relating to the school;
(6) A description of each source of money for the remediation of pupils who are enrolled in the school; and
(7) A description of the disciplinary problems of the pupils who are enrolled in the school, including, without limitation, the information contained in paragraphs (k) to (n), inclusive, of subsection 2 of NRS 385.347.

2. On or before November 1, the support team shall submit a copy of the final written report to the:
   (a) Principal of the school;
   (b) Board of trustees of the school district in which the school is located;
   (c) Superintendent of schools of the school district in which the school is located;
   (d) Department; and
   (e) Bureau.
   The support team shall make the written report available, upon request, to each parent or legal guardian of a pupil who is enrolled in the school.

Sec. 6. (Deleted by amendment.)

Sec. 6.5. NRS 385.362 is hereby amended to read as follows:

385.362 (1) If a public school fails to make adequate yearly progress for 1 year:
   (1) Except as otherwise provided in paragraph (b), subsection 2, the board of trustees of the school district in which the school is located shall ensure that the school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto. For a charter school sponsored by the school district, the board of trustees shall provide the technical assistance to the charter school in conjunction with the governing body of the charter school.
   (2) For a charter school sponsored by the State Board or by a college or university within the Nevada System of Higher Education, the Department shall ensure, in conjunction with the governing body of the charter school, that the school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto.

(2) If a public school fails to make adequate yearly progress for 1 year, the principal of the school shall ensure that the plan to improve the achievement of pupils enrolled in the school is reviewed, revised and approved in accordance with NRS 385.357.

Sec. 7. (Deleted by amendment.)

Sec. 7.5. NRS 385.37603 is hereby amended to read as follows:
If a public school that is not a Title I school is designated as demonstrating need for improvement pursuant to NRS 385.3623 for 5 or more consecutive years for failure to make adequate yearly progress:

(a) The board of trustees of the school district shall:

(1) Except as otherwise provided in subsection 3 of NRS 385.37605, repeal the plan to improve the academic achievement of pupils developed pursuant to NRS 385.357 and, not later than September 30, implement the turnaround plan to improve the academic achievement of pupils enrolled in the school developed pursuant to NRS 385.3745;

(2) Provide notice of the designation to the parents and guardians of pupils enrolled in the school on the form prescribed by the Department pursuant to NRS 385.382; and

(3) Ensure that the school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto.

(b) The State Board shall prescribe by regulation the actions which the Department may take to monitor the implementation of any corrective action at the school.

2. If a charter school that is not a Title I school is designated as demonstrating need for improvement pursuant to NRS 385.3623 for 5 or more consecutive years for failure to make adequate yearly progress:

(a) The governing body of the charter school shall:

(1) Except as otherwise provided in subsection 3 of NRS 385.37605, repeal the plan to improve the academic achievement of pupils developed pursuant to NRS 385.357 and, not later than September 30, implement the turnaround plan to improve the academic achievement of pupils enrolled in the school developed pursuant to NRS 385.3745.

(2) Provide notice of the designation to the parents and guardians of pupils enrolled in the charter school on a form prescribed by the Department pursuant to NRS 385.382.

(b) For a charter school sponsored by the board of trustees of a school district, the board of trustees shall, in conjunction with the governing body of the charter school, ensure that the charter school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto.

(c) For a charter school sponsored by the State Board or by a college or university within the Nevada System of Higher Education, the Department shall, in conjunction with the governing body of the charter school, ensure that the charter school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto.

(d) The State Board shall prescribe by regulation the actions which the Department may take to monitor the implementation of any corrective action at the charter school.

Sec. 8. (Deleted by amendment.)

Sec. 8.5. NRS 385.37607 is hereby amended to read as follows:
1. If a Title I school is designated as demonstrating need for improvement pursuant to NRS 385.3623 for 5 or more consecutive years:
   (a) Except as otherwise provided in paragraph (b), the board of trustees of the school district shall:
      (1) Except as otherwise provided in subsection 2, repeal the plan to improve the academic achievement of pupils developed pursuant to NRS 385.357 and, not later than September 30, implement the plan for restructuring the school developed pursuant to NRS 385.3746 if required by 20 U.S.C. § 6316(b)(8) and the regulations adopted pursuant thereto;
      (2) Provide notice of the designation to the parents and guardians of pupils enrolled in the school on the form prescribed by the Department pursuant to NRS 385.382;
      (3) Ensure that the school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto;
      (4) Provide school choice to the parents and guardians of pupils enrolled in the school in accordance with 20 U.S.C. § 6316(b)(1) and the regulations adopted pursuant thereto;
      (5) Provide supplemental educational services in accordance with 20 U.S.C. § 6316(e) and the regulations adopted pursuant thereto from a provider approved pursuant to NRS 385.384, unless a waiver is granted pursuant to that provision of federal law.
   (b) If the school is a charter school:
      (1) Sponsored by the board of trustees of a school district, the board of trustees shall:
         (I) Except as otherwise provided in subsection 3, repeal the plan to improve the academic achievement of pupils developed pursuant to NRS 385.357 and, not later than September 30, implement the plan for restructuring the charter school developed pursuant to NRS 385.3746 if required by 20 U.S.C. § 6316(b)(8) and the regulations adopted pursuant thereto;
         (II) Provide notice of the designation to the parents and guardians of pupils enrolled in the charter school on the form prescribed by the Department pursuant to NRS 385.382;
         (III) Ensure that the charter school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto;
         (IV) Provide school choice to the parents and guardians of pupils enrolled in the charter school in accordance with 20 U.S.C. § 6316(b)(1) and the regulations adopted pursuant thereto.
      (2) Sponsored by the State Board or by a college or university within the Nevada System of Higher Education, the Department shall:
         (I) Except as otherwise provided in subsection 3, repeal the plan to improve the academic achievement of pupils developed pursuant to NRS 385.357 and, not later than September 30, implement the plan for
Restructuring the charter school developed pursuant to NRS 385.3746 if required by 20 U.S.C. § 6316(b)(8) and the regulations adopted pursuant thereto;

(II) Provide notice of the designation to the parents and guardians of pupils enrolled in the charter school on the form prescribed by the Department pursuant to NRS 385.382;

(III) Ensure that the charter school receives technical assistance in the manner set forth in 20 U.S.C. § 6316(b)(4) and the regulations adopted pursuant thereto; and

(IV) Work cooperatively with the board of trustees of the school district in which the charter school is located to provide school choice to the parents and guardians of pupils enrolled in the school in accordance with 20 U.S.C. § 6316(b)(1) and the regulations adopted pursuant thereto.

3. Regardless of the sponsor, the governing body of the charter school shall provide supplemental educational services in accordance with 20 U.S.C. § 6316(e) and the regulations adopted pursuant thereto from a provider approved pursuant to NRS 385.384, unless a waiver is granted pursuant to that provision of federal law.

(c) The State Board shall prescribe by regulation the actions which the Department may take to monitor the implementation of any corrective action at the school or charter school.

2. The board of trustees of a school district shall grant a delay from the imposition of a plan for restructuring for a school, including, without limitation, the development and implementation of a plan for restructuring, for a period not to exceed 1 year if the school qualifies for a delay pursuant to 20 U.S.C. § 6316(b)(7)(D). If the school fails to make adequate yearly progress during the period of delay, the board of trustees shall proceed with a plan for restructuring the school as if the delay never occurred.

3. The sponsor of a charter school shall grant a delay from the imposition of a plan for restructuring for a school, including, without limitation, the development and implementation of a plan for restructuring, for a period not to exceed 1 year if the school qualifies for a delay pursuant to 20 U.S.C. § 6316(b)(7)(D). If the charter school fails to make adequate yearly progress during the period of delay, the Department shall proceed with a plan for restructuring the charter school as if the delay never occurred.

4. Before the board of trustees of a school district or the Department proceeds with a plan for restructuring, the board of trustees or the Department, as applicable, shall provide to the administrators, teachers and other educational personnel employed at that school, and parents and guardians of pupils enrolled in the school:

(a) Notice that the board of trustees or the Department, as applicable, will develop a plan for restructuring the school;

(b) An opportunity to comment before the plan to restructure is developed; and
An opportunity to participate in the development of the plan to restructure.

Sec. 9. NRS 385.3785 is hereby amended to read as follows:

385.3785 1. The Commission shall:

(a) Establish a program of educational excellence designed exclusively for pupils enrolled in kindergarten through grade 6 in public schools in this State based upon:

(1) The plan to improve the achievement of pupils prepared by the State Board pursuant to NRS 385.34691;

(2) The plan to improve the achievement of pupils prepared by the board of trustees of each school district pursuant to NRS 385.348;

(3) The plan to improve the achievement of pupils prepared by the principal of each school pursuant to NRS 385.357, which may include a program of innovation, the turnaround plan for the school implemented pursuant to NRS 385.37603 or the plan for restructuring the school implemented pursuant to NRS 385.37607, whichever is applicable for the school; and

(4) Any other information that the Commission considers relevant to the development of the program of educational excellence.

(b) Identify programs, practices and strategies that have proven effective in improving the academic achievement and proficiency of pupils.

(c) Develop a concise application and simple procedures for the submission of applications by public schools and consortiums of public schools, including, without limitation, charter schools, for participation in a program of educational excellence and for grants of money from the Account. Grants of money must be made for programs designed for the achievement of pupils that are linked to the plan to improve the achievement of pupils or for innovative programs, or both, or that are linked to the turnaround plan for the school or the plan for restructuring the school, if applicable, or for innovative programs, or both. The Commission shall not award a grant of money from the Account for a program to provide full-day kindergarten. All public schools and consortiums of public schools, including, without limitation, charter schools, are eligible to submit such an application, regardless of whether the schools have made adequate yearly progress or failed to make adequate yearly progress. A public school or a consortium of public schools selected for participation may be approved by the Commission for participation for a period not to exceed 2 years, but may reapply.

(d) Prescribe a long-range timeline for the review, approval and evaluation of applications received from public schools and consortiums of public schools that desire to participate in the program.

(e) Establish guidelines for the review, evaluation and approval of applications for grants of money from the Account, including, without limitation, consideration of the list of priorities of public schools provided by the Department pursuant to subsection 6. To ensure consistency in the
review, evaluation and approval of applications, if the guidelines authorize
the review and evaluation of applications by less than the entire membership
of the Commission, money must not be allocated from the Account for a
grant until the entire membership of the Commission has reviewed and
approved the application for the grant.

(f) Prescribe accountability measures to be carried out by a public school
that participates in the program if that public school does not meet the annual
measurable objectives established by the State Board pursuant to
NRS 385.361, including, without limitation:

1. The specific levels of achievement expected of schools that
participate; and

2. Conditions for schools that do not meet the grant criteria but desire
to continue participation in the program and receive money from the
Account, including, without limitation, a review of the leadership at the
school and recommendations regarding changes to the appropriate body.

(g) Determine the amount of money that is available from the Account for
those public schools and consortiums of public schools that are selected to
participate in the program.

(h) Allocate money to public schools and consortiums of public schools
from the Account. Allocations must be distributed not later than August 15 of
each year.

(i) Establish criteria for public schools and consortiums of public schools
that participate in the program and receive an allocation of money from the
Account to evaluate the effectiveness of the allocation in improving the
achievement of pupils, including, without limitation, a detailed analysis of:

1. The achievement of pupils enrolled at each school that received
money from the allocation based upon measurable criteria, including,
without limitation, if applicable for the school, measurable criteria
identified in \[
\text{as applicable}\]

   (I) Plan to improve the achievement of pupils for the school prepared
   pursuant to NRS 385.357;

   (II) Turnaround plan for the school implemented pursuant to NRS
   385.37603; or

   (III) Plan for restructuring the school implemented pursuant to
   NRS 385.37607;

2. If applicable, the effectiveness of the program of innovation on the
achievement of pupils and the overall effectiveness for pupils and staff; and

3. The implementation of the applicable plans for improvement,
including, without limitation, an analysis of whether the school is meeting
the measurable objectives identified in the plan; and

4. The attainment of measurable progress on the annual list of
adequate yearly progress of school districts and schools.

2. To the extent money is available, the Commission shall make
allocations of money to public schools and consortiums of public schools for
effective programs for grades 7 through 12 that are designed to improve the
achievement of pupils and effective programs of innovation for pupils. In making such allocations, the Commission shall comply with the requirements of this section.

3. An application submitted pursuant to this section must include a written statement which:
   (a) Indicates whether the public school or consortium of public schools is submitting the application for the continuation of an existing program or for the establishment of a new program; and
   (b) Identifies all other sources of money that the public school or consortium of public schools has requested or received for the continuation or establishment of:
      (1) The program for which the application is submitted; or
      (2) A substantially similar program.

4. The Commission shall ensure, to the extent practicable, that grants of money provided pursuant to this section reflect the economic and geographic diversity of this State.

5. If a public school or consortium of public schools that receives money pursuant to subsection 1 or 2:
   (a) Does not meet the criteria for effectiveness as prescribed in paragraph (i) of subsection 1;
   (b) Does not, as a result of the program for which the grant of money was awarded, show improvement in the achievement of pupils, as determined in an evaluation conducted pursuant to subsection 3 of NRS 385.379; or
   (c) Does not implement the program for which the money was received, as determined in an audit conducted pursuant to subsection 4 of NRS 385.3789 or an evaluation conducted pursuant to subsection 3 of NRS 385.379, over a 2-year period, the Commission may consider not awarding future allocations of money to that public school or consortium of public schools.

6. On or before July 1 of each year, the Department shall provide a list of priorities of public schools that indicates:
   (a) The adequate yearly progress status of schools in the immediately preceding year; and
   (b) The public schools that are considered Title I eligible by the Department based upon the poverty level of the pupils enrolled in a school in comparison to the poverty level of the pupils in the school district as a whole, for consideration by the Commission in its development of procedures for the applications.

7. A public school, including, without limitation, a charter school, or a consortium of public schools may request assistance from the school district in which the school is located in preparing an application for a grant of money pursuant to this section. A school district shall assist each public school or consortium of public schools that requests assistance pursuant to this subsection to ensure that the application of the school:
   (a) Is based directly upon, if applicable, if applicable for the school,
(1) Plan to improve the achievement of pupils prepared for the school pursuant to NRS 385.357;
(2) Turnaround plan for the school implemented pursuant to NRS 385.37603; or
(3) Plan for restructuring the school implemented pursuant to NRS 385.37607;
(b) Is developed in accordance with the criteria established by the Commission; and
(c) Is complete and complies with all technical requirements for the submission of an application.
A school district may make recommendations to the individual schools and consortiums of public schools. Such schools and consortiums of public schools are not required to follow the recommendations of a school district.
8. In carrying out the requirements of this section, the Commission shall review and consider the programs of remedial study adopted by the Department pursuant to NRS 385.389, the list of approved providers of supplemental educational services maintained by the Department pursuant to NRS 385.384 and the recommendations submitted by the Committee pursuant to NRS 218E.615 concerning programs, practices and strategies that have proven effective in improving the academic achievement and proficiency of pupils.
9. The Commission shall not award a grant of money from the Account for a program of remedial study that is available commercially unless that program has been adopted by the Department pursuant to NRS 385.389.
10. If a consortium of public schools is formed for the purpose of submitting an application pursuant to this section, the public schools within the consortium do not need to be located within the same school district.
Sec. 10. (Deleted by amendment.)
Sec. 11. (Deleted by amendment.)
Sec. 11.5. NRS 386.605 is hereby amended to read as follows:
386.605 1. On or before July 15 of each year, the governing body of a charter school shall submit the information concerning the charter school that is required pursuant to subsection 2 of NRS 385.347 to the board of trustees of the school district in which the charter school is located for inclusion in the report of the school district pursuant to that section. The information must be submitted by the charter school in a format prescribed by the board of trustees.
2. The Legislative Bureau of Educational Accountability and Program Evaluation created pursuant to NRS 218E.625 may authorize a person or entity with whom it contracts pursuant to NRS 385.359 to review and analyze information submitted by charter schools pursuant to this section and pursuant to NRS 385.357, 385.3745 or 385.3746, whichever is applicable for the school, consult with the governing bodies of charter schools and submit written reports concerning charter schools pursuant to NRS 385.359.
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. (Deleted by amendment.)
Sec. 21. (Deleted by amendment.)
Sec. 21.3. NRS 388.215 is hereby amended to read as follows:

388.215 1. The board of trustees of each school district which includes at least one high school with an enrollment of 1,200 pupils or more, including pupils enrolled in ninth grade, shall adopt a pilot program for each of those high schools to provide a program of small learning communities. The pilot program must be implemented in at least 50 percent of the high schools in the school district with an enrollment of 1,200 pupils or more and must require:

(a) Where practicable, the designation of a separate area geographically within the high school where the pupils enrolled in ninth grade attend classes;

(b) The collection and maintenance of information relating to pupils enrolled in ninth grade, including, without limitation, credits earned, attendance, truancy and indicators that a pupil may be at risk of dropping out of high school;

(c) Based upon the information collected pursuant to paragraph (b), the timely identification of any special needs of a pupil enrolled in ninth grade, including, without limitation, any need for programs of remedial study for a particular subject area and appropriate counseling;

(d) Methods to increase the involvement of parents and legal guardians of pupils enrolled in ninth grade in the education of their children; and

(e) The assignment of:

(1) Guidance counselors;

(2) At least one licensed school administrator; and

(3) Appropriate adult mentors, specifically for the pupils enrolled in ninth grade.

2. The principal of each high school in which 1,200 pupils or more are enrolled, including pupils enrolled in ninth grade, and which the board of trustees of the school district has designated to participate in the pilot program adopted pursuant to subsection 1 shall:

(a) Carry out a program of small learning communities in accordance with the policy prescribed by the board of trustees pursuant to subsection 1; and

(b) Submit an annual report, on a date prescribed by the board of trustees, that sets forth the specific strategies, programs and methods that are used to focus on the pupils enrolled in ninth grade at the school.
Sec. 21.5. NRS 391.235 is hereby amended to read as follows:
391.235 1. The board of trustees of each school district {shall may} adopt a policy that sets forth procedures and conditions for a program to engage administrators employed by the school district at the district level in annual classroom instruction, observation and other activities in a manner that is appropriate for the responsibilities, position and duties of the administrators. {The} If the board of trustees adopts such a policy, the policy must require each administrator employed by the school district at the district level to:
   (a) If the administrator holds a license to teach, provide instruction in a core academic subject in a classroom for at least 1 regularly scheduled full instructional day in each school year; or
   (b) If the administrator does not hold a license to teach:
      (1) Personally observe a classroom for at least one-half of a regularly scheduled full instructional day in each school year; or
      (2) Otherwise participate in activities with pupils in the classroom in each school year, including, without limitation, serving as a guest speaker in the classroom, reading to pupils in elementary school and participating in career day.
2. {A} If the board of trustees of a school district adopts a policy pursuant to subsection 1, a district-level administrator may choose a school within the school district at which the administrator will carry out the requirements of this section.
3. {An} If the board of trustees of a school district adopts a policy pursuant to subsection 1, an administrator who provides instruction pursuant to paragraph (a) of subsection 1 must be assigned as a substitute teacher for the full instructional day in which the administrator carries out the requirements of this section.
4. The provisions of this section do not apply to administrators who are employed by a school district to provide administrative service at the school level, including, without limitation, a principal or vice principal.
5. As used in this section, "core academic subject" means the core academic subjects designated pursuant to NRS 389.018.

Sec. 22. NRS 391.298 is hereby amended to read as follows:
391.298 If the board of trustees of a school district or the superintendent of schools of a school district schedules a day or days for the professional development of teachers or administrators employed by the school district:
1. The primary focus of that scheduled professional development must be to improve the achievement of the pupils enrolled in the school district:
   —(a) {Plan to improve the achievement of pupils enrolled in the school district prepared pursuant to NRS 385.348;}
   —(b) {Plan to improve the achievement of pupils prepared pursuant to NRS 385.357;}
2. The scheduled professional development must be structured so that teachers attend professional development that is designed for the specific subject areas or grades taught by those teachers.

Sec. 23. NRS 391.540 is hereby amended to read as follows:

391.540 1. The governing body of each regional training program shall:

(a) Adopt a training model, taking into consideration other model programs, including, without limitation, the program used by the Geographic Alliance in Nevada.

(b) Assess the training needs of teachers and administrators who are employed by the school districts within the primary jurisdiction of the regional training program and adopt priorities of training for the program based upon the assessment of needs. The board of trustees of each such school district may submit recommendations to the appropriate governing body for the types of training that should be offered by the regional training program.

(c) In making the assessment required by paragraph (b), review the plans to improve the achievement of pupils prepared pursuant to NRS 385.348 by the school districts within the primary jurisdiction of the regional training program, and as deemed necessary by the governing body, review the:

(1) Plans to improve the achievement of pupils prepared pursuant to NRS 385.348;

(2) Turnaround plans for schools implemented pursuant to NRS 385.37603; and

(3) Plans for restructuring schools implemented pursuant to NRS 385.37607, for individual schools within the primary jurisdiction of the regional training program which are required to implement a turnaround plan or plan for restructuring.

(d) Prepare a 5-year plan for the regional training program, which includes, without limitation:

(1) An assessment of the training needs of teachers and administrators who are employed by the school districts within the primary jurisdiction of the regional training program; and

(2) Specific details of the training that will be offered by the regional training program for the first 2 years covered by the plan.

(e) Review the 5-year plan on an annual basis and make revisions to the plan as necessary to serve the training needs of teachers and administrators employed by the school districts within the primary jurisdiction of the regional training program.
2. The Department, the Nevada System of Higher Education and the board of trustees of a school district may request the governing body of the regional training program that serves the school district to provide training, participate in a program or otherwise perform a service that is in addition to the duties of the regional training program that are set forth in the plan adopted pursuant to this section or otherwise required by statute. An entity may not represent that a regional training program will perform certain duties or otherwise obligate the regional training program as part of an application by that entity for a grant unless the entity has first obtained the written confirmation of the governing body of the regional training program to perform those duties or obligations. The governing body of a regional training program may, but is not required to, grant a request pursuant to this subsection.

   Sec. 24. (Deleted by amendment.)
   Sec. 25. (Deleted by amendment.)
   Sec. 26. (Deleted by amendment.)
   Sec. 27. (Deleted by amendment.)
   Sec. 28. (Deleted by amendment.)
   Sec. 29. (Deleted by amendment.)
   Sec. 30. (Deleted by amendment.)
   Sec. 31. (Deleted by amendment.)
   Sec. 32. (Deleted by amendment.)
   Sec. 33. (Deleted by amendment.)
   Sec. 34. (Deleted by amendment.)
   Sec. 35. (Deleted by amendment.)
   Sec. 36. (Deleted by amendment.)

Sec. 36.3. Section 3 of chapter 311, Statutes of Nevada 2009, at page 1332, is hereby amended to read as follows:

Sec. 3. 1. The board of trustees of each school district which includes at least one middle school or junior high school with an enrollment of 500 pupils or more shall adopt a [policy for each of those middle schools and junior high schools] pilot program to provide a program of small learning communities for pupils enrolled in the grade level at which those middle schools or junior high schools initially enroll pupils. The [policy] pilot program must be implemented in at least 50 percent of the middle schools and junior high schools in the school district with an enrollment of 500 pupils or more and must require:

   (a) Where practicable, the designation of a separate area geographically within the middle school or junior high school where the pupils enrolled in their initial year at the middle school or junior high school attend classes;
   (b) The collection and maintenance of information relating to pupils enrolled in their initial year at the middle school or junior high school, including, without limitation, credits earned, attendance, truancy and indicators that a pupil may be at risk of dropping out of middle school or junior high school;
(c) Based upon the information collected pursuant to paragraph (b), the timely identification of any special needs of a pupil enrolled in his initial year at the middle school or junior high school, including, without limitation, any need for programs of remedial study for a particular subject area and appropriate counseling;

(d) Methods to increase the involvement of parents and legal guardians of pupils enrolled in their initial year in a middle school or junior high school in the education of their children; and

(e) The assignment of:

   (1) Guidance counselors;
   (2) At least one licensed school administrator or his designee; and
   (3) Appropriate adult mentors,

specifically for the pupils enrolled in their initial year at the middle school or junior high school.

2. The principal of each middle school or junior high school in which 500 pupils or more are enrolled and which the board of trustees of the school district has designated to participate in the pilot program adopted pursuant to subsection 1 shall:

   (a) Carry out a program of small learning communities in accordance with the policy prescribed by the board of trustees pursuant to subsection 1 of pilot program; and
   (b) Submit an annual report, on a date prescribed by the board of trustees, that sets forth the specific strategies, programs and methods which are used to focus on the pupils enrolled in their initial year at the middle school or junior high school, including, without limitation, the program of mentoring provided pursuant to section 5 of this act.

Sec. 36.5. Section 7 of chapter 311, Statutes of Nevada 2009, at page 1334, is hereby amended to read as follows:

Sec. 7. 1. The board of trustees of each school district shall adopt the policy required by section 2 of this act not later than January 1, 2013, for implementation beginning with the 2013-2014 School Year. On or before June 1, 2012, the board of trustees of each school district shall provide a report to the Superintendent of Public Instruction on the status of the adoption of the policy required by section 2 of this act, including, without limitation, a plan for the implementation of that policy beginning with the 2013-2014 School Year. On or before July 1, 2012, the Superintendent of Public Instruction shall compile the reports and provide a report of the compilation to the Legislative Committee on Education.

2. The board of trustees of each school district which includes at least one middle school or junior high school with an enrollment of 500 pupils or more shall adopt the pilot program required by section 3 of this act not later than January 1, 2013, for implementation beginning with the 2013-2014 School Year. On or before June 1, 2012, the board of trustees of each such school district shall provide
a report to the Superintendent of Public Instruction on the status of
the adoption of the pilot program required by section 3 of this act,
including, without limitation, a plan for the implementation of
the pilot program beginning with the 2013-2014 School Year. On or
before July 1, 2012, the Superintendent of Public Instruction shall
compile the reports and provide a report of the compilation to the
Legislative Committee on Education.

3. The board of trustees of each school district shall adopt the
policies required by sections 2, 3, 5 and 6 of this act not later than
January 1, 2011, for implementation beginning with the 2011-2012
School Year.

4. On or before June 1, 2010, the board of trustees of
each school district shall provide a report to the Superintendent of
Public Instruction on the status of the adoption of the policies required
by sections 2, 3, 5 and 6 of this act, including, without limitation, a
plan for implementation of those policies beginning with the
2011-2012 School Year. On or before July 1, 2010, the Superintendent
of Public Instruction shall compile the reports and provide a report of
the compilation to the Legislative Committee on Education.

Sec. 36.7. Section 8 of chapter 311, Statutes of Nevada 2009, at
page 1334, is hereby amended to read as follows:

Sec. 8. 1. This section and section 7 of this act become
effective on July 1, 2009.

2. Sections 2, 3, 5 and 6 of this act become
effective on July 1, 2009, for the purpose of adopting the policies
required by sections 2, 3, 5 and 6 of this act and on July 1, 2011, for
all other purposes.

3. Section 2 of this act becomes effective on July 1, 2009, for the
purpose of adopting the policy required by that section and on July 1,
2013, for all other purposes.

4. Section 3 of this act becomes effective on July 1, 2011, for the
purposes of adopting the pilot program required by that section and
on July 1, 2013, for all other purposes.

Sec. 37. NRS 385.348, 388.171, 388.215 and 385.357 and 390.220
are hereby repealed.

Sec. 37.5. 1. The board of trustees of each school district may review
the plans, policies, programs and procedures that the board of trustees is
required to implement pursuant to title 34 of NRS or pursuant to federal law
to determine which plans, policies, programs and procedures place an
unfunded mandate and an undue financial hardship upon the school district.
If the board of trustees of a school district conducts such a review, the review
must include, without limitation, the:

(a) Plans to improve the academic achievement of pupils;

(b) Academic plans for certain pupils enrolled in middle school or junior
high school and high school;
(c) Policies for peer mentoring;
(d) Policies for the provision of a safe and respectful learning environment;
(e) Policies for pupil-led conferences;
(f) Plans for the implementation of statutes;
(g) Procedures for reporting the use of physical restraint and mechanical restraint;
(h) Procedures for the creation of advisory boards to review school attendance; and
(i) Plan for responding to a crisis.

2. If the board of trustees of a school district reviews the plans, policies, programs and procedures pursuant to subsection 1, the board of trustees shall prepare a written report of its review. The report must include, without limitation:
(a) The name of each plan, policy, program or procedure which the board of trustees determines places an unfunded mandate and an undue financial hardship upon the school district;
(b) A description of the plan, policy, program or procedure;
(c) The costs incurred by the school district for implementing the plan, policy, program or procedure and an identification of how much money the school district receives from the State or Federal Government for such implementation; and
(d) The effectiveness of the plan, policy, program or procedure in improving the academic achievement of pupils enrolled in the school district, if applicable, including, without limitation, the assessment of the school district as to whether the plan, policy, program or procedure should continue.

3. If the board of trustees of a school district prepares a written report pursuant to subsection 2, the board of trustees shall, on or before August 1, 2012, submit the written report to the:
(a) Legislative Committee on Education; and
(b) Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature.

Sec. 38. [This]
1. This section and section 36.7 of this act become effective upon passage and approval.
2. Sections 1 to 21, inclusive, 21.5 to 36.5, inclusive, and 37 of this act [become] become effective on July 1, 2011.
3. Section 21.3 of this act becomes effective on July 1, 2011, for the purpose of adopting the pilot program required by that section and on July 1, 2013, for all other purposes.

TEXT OF REPEALED SECTIONS
385.348 Plan by school district to improve achievement of pupils: Preparation; contents; submission; annual review.

385.348 1. The board of trustees of each school district shall, in consultation with the employees of the school district, prepare a plan to
improve the achievement of pupils enrolled in the school district, excluding pupils who are enrolled in charter schools located in the school district. If the school district is a Title I school district designated as demonstrating need for improvement pursuant to NRS 385.377, the plan must also be prepared in consultation with parents and guardians of pupils enrolled in the school district and other persons who the board of trustees determines are appropriate.

2. Except as otherwise provided in this subsection, the plan must include the items set forth in 20 U.S.C. § 6316(c)(7) and the regulations adopted pursuant thereto. If a school district has not been designated as demonstrating need for improvement pursuant to NRS 385.377, the board of trustees of the school district is not required to include those items set forth in 20 U.S.C. § 6316(c)(7) and the regulations adopted pursuant thereto that directly relate to the status of a school district as needing improvement.

3. In addition to the requirements of subsection 2, a plan to improve the achievement of pupils enrolled in a school district must include:
   (a) A review and analysis of the data upon which the report required pursuant to subsection 2 of NRS 385.347 is based and a review and analysis of any data that is more recent than the data upon which the report is based.
   (b) The identification of any problems or factors at individual schools that are revealed by the review and analysis.
   (c) Strategies based upon scientifically based research, as defined in 20 U.S.C. § 7801(37), that will strengthen the core academic subjects, as set forth in NRS 389.018.
   (d) Strategies to improve the academic achievement of pupils enrolled in the school district, including, without limitation, strategies to:
      (1) Instruct pupils who are not achieving to their fullest potential, including, without limitation:
         (I) The curriculum appropriate to improve achievement;
         (II) The manner by which the instruction will improve the achievement and proficiency of pupils on the examinations administered pursuant to NRS 389.015 and 389.550; and
         (III) An identification of the instruction and curriculum that is specifically designed to improve the achievement and proficiency of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361;
      (2) Increase the rate of attendance of pupils and reduce the number of pupils who drop out of school;
      (3) Integrate technology into the instructional and administrative programs of the school district;
      (4) Manage effectively the discipline of pupils; and
      (5) Enhance the professional development offered for the teachers and administrators employed by the school district to include the activities set forth in 20 U.S.C. § 7801(34) and to address the specific needs of the pupils enrolled in the school district, as deemed appropriate by the board of trustees of the school district.
(e) An identification, by category, of the employees of the school district who are responsible for ensuring that each provision of the plan is carried out effectively.

(f) In consultation with the Department, an identification, by category, of the employees of the Department, if any, who are responsible for overseeing and monitoring whether the plan is carried out effectively.

(g) For each provision of the plan, a timeline for carrying out that provision, including, without limitation, a timeline for monitoring whether the provision is carried out effectively.

(h) For each provision of the plan, measurable criteria for determining whether the provision has contributed toward improving the academic achievement of pupils, increasing the rate of attendance of pupils and reducing the number of pupils who drop out of school.

(i) Strategies to improve the allocation of resources from the school district, by program and by school, in a manner that will improve the academic achievement of pupils. 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.

(j) Based upon the reallocation of resources set forth in paragraph (i), the resources available to the school district to carry out the plan, including, without limitation, a budget of the overall cost for carrying out the plan.

(k) A summary of the effectiveness of appropriations made by the Legislature that are available to the school district or the schools within the school district to improve the academic achievement of pupils and programs approved by the Legislature to improve the academic achievement of pupils.

(l) An identification of the programs, practices and strategies that are used throughout the school district and by the schools within the school district that have proven successful in improving the achievement and proficiency of pupils, including, without limitation:

1. An identification of each school that carries out such a program, practice or strategy;
2. An indication of which programs, practices and strategies are carried out throughout the school district and which programs, practices and strategies are carried out by individual schools;
3. The extent to which the programs, practices and strategies include methods to improve the achievement and proficiency of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361; and
4. A description of how the school district disseminates information concerning the successful programs, practices and strategies to all schools within the school district.

4. The board of trustees of each school district shall:
(a) Review the plan prepared pursuant to this section annually to evaluate the effectiveness of the plan; and
(b) Based upon the evaluation of the plan, make revisions, as necessary, to ensure that the plan is designed to improve the academic achievement of pupils enrolled in the school district.

5. On or before December 15 of each year, the board of trustees of each school district shall submit the plan or the revised plan, as applicable, to the:
   (a) Superintendent of Public Instruction;
   (b) Governor;
   (c) State Board;
   (d) Department;
   (e) Committee; and
   (f) Bureau.

NRS 388.171—Program of small learning communities required in certain schools.

388.171 1. The board of trustees of each school district which includes at least one middle school or junior high school with an enrollment of 500 pupils or more shall adopt a policy for each of those middle schools and junior high schools to provide a program of small learning communities for pupils enrolled in the grade level at which those middle schools or junior high schools initially enroll pupils. The policy must require:
   (a) Where practicable, the designation of a separate area geographically within the middle school or junior high school where the pupils enrolled in their initial year at the middle school or junior high school attend classes;
   (b) The collection and maintenance of information relating to pupils enrolled in their initial year at the middle school or junior high school, including, without limitation, credits earned, attendance, truancy and indicators that a pupil may be at risk of dropping out of middle school or junior high school;
   (c) Based upon the information collected pursuant to paragraph (b), the timely identification of any special needs of a pupil enrolled in his or her initial year at the middle school or junior high school, including, without limitation, any need for programs of remedial study for a particular subject area and appropriate counseling;
   (d) Methods to increase the involvement of parents and legal guardians of pupils enrolled in their initial year in a middle school or junior high school in the education of their children; and
   (e) The assignment of:
      (1) Guidance counselors;
      (2) At least one licensed school administrator or a designee of such an administrator; and
      (3) Appropriate adult mentors, specifically for the pupils enrolled in their initial year at the middle school or junior high school.
2. The principal of each middle school or junior high school in which 500 pupils or more are enrolled shall:
   (a) Carry out a program of small learning communities in accordance with the policy prescribed by the board of trustees pursuant to subsection 1; and
   (b) Submit an annual report, on a date prescribed by the board of trustees, that sets forth the specific strategies, programs and methods which are used to focus on the pupils enrolled in their initial year at the middle school or junior high school, including, without limitation, the program of mentoring provided pursuant to NRS 388.176.

NRS 388.215 Program of small learning communities required for ninth grade pupils enrolled in larger schools.

388.215 1. The board of trustees of each school district which includes at least one high school with an enrollment of 1,200 pupils or more, including pupils enrolled in ninth grade, shall adopt a policy for each of those high schools to provide a program of small learning communities. The policy must require:
   (a) Where practicable, the designation of a separate area geographically within the high school where the pupils enrolled in ninth grade attend classes;
   (b) The collection and maintenance of information relating to pupils enrolled in ninth grade, including, without limitation, credits earned, attendance, truancy and indicators that a pupil may be at risk of dropping out of high school;
   (c) Based upon the information collected pursuant to paragraph (b), the timely identification of any special needs of a pupil enrolled in ninth grade, including, without limitation, any need for programs of remedial study for a particular subject area and appropriate counseling;
   (d) Methods to increase the involvement of parents and legal guardians of pupils enrolled in ninth grade in the education of their children; and
   (e) The assignment of
      (1) Guidance counselors;
      (2) At least one licensed school administrator; and
      (3) Appropriate adult mentors,
      specifically for the pupils enrolled in ninth grade.

2. The principal of each high school in which 1,200 pupils or more are enrolled, including pupils enrolled in ninth grade, shall:
   (a) Carry out a program of small learning communities in accordance with the policy prescribed by the board of trustees pursuant to subsection 1; and
   (b) Submit an annual report, on a date prescribed by the board of trustees, that sets forth the specific strategies, programs and methods that are used to focus on the pupils enrolled in ninth grade at the school.

385.357 Plan to improve achievement of pupils for individual schools; duties of school support team in preparing plan; annual review; process for submission and approval of plan; timeline for carrying out plan.

1. On or before July 15 of each year, the governing body of a charter school shall submit the information concerning the charter school that is
required pursuant to subsection 2 of NRS 385.347 to the board of trustees of the school district in which the charter school is located for inclusion in the report of the school district pursuant to that section. The information must be submitted by the charter school in a format prescribed by the board of trustees.

2. The Legislative Bureau of Educational Accountability and Program Evaluation created pursuant to NRS 218E.625 may authorize a person or entity with whom it contracts pursuant to NRS 385.359 to review and analyze information submitted by charter schools pursuant to this section and pursuant to NRS 385.357, 385.3745 or 385.3746, whichever is applicable for the school, consult with the governing bodies of charter schools and submit written reports concerning charter schools pursuant to NRS 385.359.

Plan to improve achievement of pupils for individual schools; duties of school support team in preparing plan; annual review; process for submission and approval of plan; timeline for carrying out plan. [Effective through June 30, 2010.]

1. The principal of each school, including, without limitation, each charter school, shall, in consultation with the employees of the school, prepare a plan to improve the achievement of the pupils enrolled in the school.

2. The plan developed pursuant to subsection 1 must include:
   (a) A review and analysis of the data pertaining to the school upon which the report required pursuant to subsection 2 of NRS 385.347 is based and a review and analysis of any data that is more recent than the data upon which the report is based.
   (b) The identification of any problems or factors at the school that are revealed by the review and analysis.
   (c) Strategies based upon scientifically based research, as defined in 20 U.S.C. § 7801(37), that will strengthen the core academic subjects, as defined in NRS 389.018.
   (d) Policies and practices concerning the core academic subjects which have the greatest likelihood of ensuring that each group of pupils identified in paragraph (b) of subsection 1 of NRS 385.361 who are enrolled in the school will make adequate yearly progress and meet the minimum level of proficiency prescribed by the State Board.
   (e) Annual measurable objectives, consistent with the annual measurable objectives established by the State Board pursuant to NRS 385.361, for the continuous and substantial progress by each group of pupils identified in paragraph (b) of subsection 1 of that section who are enrolled in the school to ensure that each group will make adequate yearly progress and meet the level of proficiency prescribed by the State Board.
   (f) Strategies, consistent with the policy adopted pursuant to NRS 392.457 by the board of trustees of the school district in which the
school is located, to promote effective involvement by parents and families of pupils enrolled in the school in the education of their children.

(g) As appropriate, programs of remedial education or tutoring to be offered before and after school, during the summer, or between sessions if the school operates on a year-round calendar for pupils enrolled in the school who need additional instructional time to pass or to reach a level considered proficient.

(h) Strategies to improve the academic achievement of pupils enrolled in the school, including, without limitation, strategies to:

(1) Instruct pupils who are not achieving to their fullest potential, including, without limitation:

   (I) The curriculum appropriate to improve achievement;

   (II) The manner by which the instruction will improve the achievement and proficiency of pupils on the examinations administered pursuant to NRS 389.015 and 389.550; and

   (III) An identification of the instruction and curriculum that is specifically designed to improve the achievement and proficiency of pupils in each group identified in paragraph (b) of subsection 1 of NRS 385.361;

(2) Increase the rate of attendance of pupils and reduce the number of pupils who drop out of school;

(3) Integrate technology into the instructional and administrative programs of the school;

(4) Manage effectively the discipline of pupils; and

(5) Enhance the professional development offered for the teachers and administrators employed at the school to include the activities set forth in 20 U.S.C. § 7801(34) and to address the specific needs of pupils enrolled in the school, as deemed appropriate by the principal.

(i) An identification, by category, of the employees of the school who are responsible for ensuring that the plan is carried out effectively.

(j) In consultation with the school district or governing body, as applicable, an identification, by category, of the employees of the school district or governing body, if any, who are responsible for ensuring that the plan is carried out effectively or for overseeing and monitoring whether the plan is carried out effectively.

(k) In consultation with the Department, an identification, by category, of the employees of the Department, if any, who are responsible for overseeing and monitoring whether the plan is carried out effectively.

(l) For each provision of the plan, a timeline for carrying out that provision, including, without limitation, a timeline for monitoring whether the provision is carried out effectively.

(m) For each provision of the plan, measurable criteria for determining whether the provision has contributed toward improving the academic achievement of pupils, increasing the rate of attendance of pupils and reducing the number of pupils who drop out of school.
(n) The resources available to the school to carry out the plan. If this State has a financial analysis program that is designed to track educational expenditures and revenues to individual schools, each school shall use that statewide program in complying with this paragraph. If a statewide program is not available, each school shall use the financial analysis program used by the school district in which the school is located in complying with this paragraph.

(o) A summary of the effectiveness of appropriations made by the Legislature that are available to the school to improve the academic achievement of pupils and programs approved by the Legislature to improve the academic achievement of pupils.

(p) A budget of the overall cost for carrying out the plan.

3. In addition to the requirements of subsection 2, if a school has been designated as demonstrating need for improvement pursuant to NRS 385.3623, the plan must comply with 20 U.S.C. § 6316(b)(3) and the regulations adopted pursuant thereto.

4. Except as otherwise provided in subsection 5, the principal of each school shall, in consultation with the employees of the school:

(a) Review the plan prepared pursuant to this section annually to evaluate the effectiveness of the plan; and

(b) Based upon the evaluation of the plan, make revisions, as necessary, to ensure that the plan is designed to improve the academic achievement of pupils enrolled in the school.

5. If a school has been designated as demonstrating need for improvement pursuant to NRS 385.3623 and a support team has been established for the school, the support team shall review the plan and make revisions to the most recent plan for improvement of the school pursuant to NRS 385.36127. If the school is a Title I school that has been designated as demonstrating need for improvement, the support team established for the school shall, in making revisions to the plan, work in consultation with parents and guardians of pupils enrolled in the school and, to the extent deemed appropriate by the entity responsible for creating the support team, outside experts.

6. On or before November 1 of each year, the principal of each school or the support team established for the school, as applicable, shall submit the plan or the revised plan, as applicable, to:

(a) If the school is a public school of the school district, the superintendent of schools of the school district.

(b) If the school is a charter school, the governing body of the charter school.

7. If a Title I school is designated as demonstrating need for improvement pursuant to NRS 385.3623, the superintendent of schools of the school district or the governing body, as applicable, shall carry out a process for peer review of the plan or the revised plan, as applicable, in accordance with 20 U.S.C. § 6316(b)(3)(E) and the regulations adopted
pursuant thereto. Not later than 45 days after receipt of the plan, the superintendent of schools of the school district or the governing body, as applicable, shall approve the plan or the revised plan, as applicable, if it meets the requirements of 20 U.S.C. § 6316(b)(3) and the regulations adopted pursuant thereto and the requirements of this section. The superintendent of schools of the school district or the governing body, as applicable, may condition approval of the plan or the revised plan, as applicable, in the manner set forth in 20 U.S.C. § 6316(b)(3)(B) and the regulations adopted pursuant thereto. The State Board shall prescribe the requirements for the process of peer review, including, without limitation, the qualifications of persons who may serve as peer reviewers.

8. If a school is designated as demonstrating exemplary achievement, high achievement or adequate achievement, or if a school that is not a Title I school is designated as demonstrating need for improvement, not later than 45 days after receipt of the plan or the revised plan, as applicable, the superintendent of schools of the school district or the governing body, as applicable, shall approve the plan or the revised plan if it meets the requirements of this section.

9. On or before December 15 of each year, the principal of each school or the support team established for the school, as applicable, shall submit the final plan or the final revised plan, as applicable, to the:
   (a) Superintendent of Public Instruction;
   (b) Governor;
   (c) State Board;
   (d) Department;
   (e) Committee;
   (f) Bureau; and
   (g) Board of trustees of the school district in which the school is located.

10. A plan for the improvement of a school must be carried out expeditiously, but not later than January 1 after approval of the plan pursuant to subsection 7 or 8, as applicable.

NRS 390.220. Enforcement by board of trustees of use of prescribed textbooks; exception for charter schools.

Boards of trustees of school districts in this State shall enforce in the public schools, excluding charter schools, the use of textbooks prescribed and adopted by the State Board.

Senator Denis moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 365.
Motion carried.
Bill ordered transmitted to the Assembly.

Senate Bill No. 98.
The following Assembly amendment was read:
Amendment No. 857.
"SUMMARY—Revises provisions relating to collective bargaining between local governments and employee organizations. (BDR 23-415)"

"AN ACT relating to local governments; revising provisions relating to mediation during the process of collective bargaining; revising provisions relating to certain reports on final agreements between local government employers and employee organizations; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1.3 of this bill revises provisions relating to mediation between local governments and employee organizations during collective bargaining.

Sections 1, 1.7, 3 and 4 of this bill require that the reports made by the chief executive officer of a local government or the superintendent of a school district to the local government or to the board of trustees of the school district, respectively, concerning the fiscal impact of a collective bargaining agreement between the local government and an employee organization include information relating to the estimated total cost of the agreement and the difference in that cost and the total cost of the immediately preceding agreement.

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

Section 1. NRS 288.153 is hereby amended to read as follows:

288.153 Any new, extended or modified collective bargaining agreement or similar agreement between a local government employer and an employee organization must be approved by the governing body of the local government employer at a public hearing. The chief executive officer of the local government shall report to the local government the fiscal impact of the agreement. The report must include, without limitation:

1. The estimated total cost of the agreement, including, without limitation, the estimated total cost of the employees' portion of contributions to the Public Employees' Retirement System that the local government employer will pay on behalf of the employees during the period of the agreement in lieu of equivalent base salary increases or cost-of-living increases, or both, in the employees' salaries; and

2. The difference between the estimated total cost of the agreement and the total cost of the immediately preceding agreement between the parties.

Sec. 1.3. NRS 288.190 is hereby amended to read as follows:

288.190 Except [in cases to which] as otherwise provided in NRS 288.205 and 288.215 apply:

1. Anytime before March 1, the dispute may be submitted to a mediator, if both parties agree. Anytime after March 1, If the parties to a negotiation have failed to reach an agreement after at least four meetings of negotiation, either party involved in negotiations may request a mediator. If the parties do not agree upon a mediator, [the Commissioner shall submit to the parties a list of seven potential mediators.] either party may request from the American Arbitration Association or the Federal Mediation and
Conciliation Service a list of seven potential mediators. If the parties are unable to agree upon which mediation service should be used, the Federal Mediation and Conciliation Service must be used. The parties shall select their mediator from the list by alternately striking one name until the name of only one mediator remains, who will be the mediator to hear the dispute. The employee organization shall strike the first name.

2. If mediation is requested pursuant to subsection 1, the mediator must be selected at the time the parties agree upon a mediator or, if the parties do not agree upon a mediator, within 5 days after the parties receive the list of potential mediators.

3. The mediator shall bring the parties together as soon as possible and, unless otherwise agreed upon by the parties, attempt to settle the dispute within 30 days after being notified of the mediator's selection as mediator. The mediator may establish the times and dates for meetings and compel the parties to attend but has no power to compel the parties to agree.

4. If the parties do not use a mediator provided by the Federal Mediation and Conciliation Service, the local government employer and employee organization each shall pay one-half of the cost of mediation. Each party shall pay its own costs of preparation and presentation of its case in mediation.

5. If the dispute is submitted to a mediator and then submitted to a fact finder, the mediator shall, within 15 days after the last meeting between the parties, give to the Commissioner of the Board a report of the efforts made to settle the dispute.

Sec. 1.7. NRS 288.200 is hereby amended to read as follows:

288.200 Except in cases to which NRS 288.205 and 288.215, or NRS 288.217 apply:

1. If:
   (a) The parties have failed to reach an agreement after at least six meetings of negotiations; and
   (b) The parties have participated in mediation and by April 1, have not reached agreement,

2. If the parties are unable to agree on an impartial fact finder or a panel of neutral arbitrators within 5 days, either party may request from the American Arbitration Association or the Federal Mediation and Conciliation Service a list of seven potential fact finders. If the parties are unable to agree upon which arbitration service should be used, the Federal Mediation and Conciliation Service must be used. Within 5 days after receiving a list from the applicable arbitration service, the parties shall select their fact finder from
this list by alternately striking one name until the name of only one fact finder remains, who will be the fact finder to hear the dispute in question. The employee organization shall strike the first name.

3. The local government employer and employee organization each shall pay one-half of the cost of fact-finding. Each party shall pay its own costs of preparation and presentation of its case in fact-finding.

4. A schedule of dates and times for the hearing must be established within 10 days after the selection of the fact finder pursuant to subsection 2, and the fact finder shall report the findings and recommendations of the fact finder to the parties to the dispute within 30 days after the conclusion of the fact-finding hearing.

5. The parties to the dispute may agree, before the submission of the dispute to fact-finding, to make the findings and recommendations on all or any specified issues final and binding on the parties.

6. If the parties do not agree on whether to make the findings and recommendations of the fact finder final and binding, either party may request the formation of a panel to determine whether the findings and recommendations of a fact finder on all or any specified issues in a particular dispute which are within the scope of subsection 11 are to be final and binding. The determination must be made upon the concurrence of at least two members of the panel and not later than the date which is 30 days after the date on which the matter is submitted to the panel, unless that date is extended by the Commissioner of the Board. Each panel shall, when making its determination, consider whether the parties have bargained in good faith and whether it believes the parties can resolve any remaining issues. Any panel may also consider the actions taken by the parties in response to any previous fact-finding between these parties, the best interests of the State and all its citizens, the potential fiscal effect both within and outside the political subdivision, and any danger to the safety of the people of the State or a political subdivision.

7. Except as otherwise provided in subsection 10, any fact finder, whether the fact finder's recommendations are to be binding or not, shall base such recommendations or award on the following criteria:

(a) A preliminary determination must be made as to the financial ability of the local government employer based on all existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision.

(b) Once the fact finder has determined in accordance with paragraph (a) that there is a current financial ability to grant monetary benefits, and subject to the provisions of paragraph (c), the fact finder shall consider, to the extent appropriate, compensation of other government employees, both in and out of the State and use normal criteria for interest disputes regarding the terms
and provisions to be included in an agreement in assessing the reasonableness of the position of each party as to each issue in dispute and the fact finder shall consider whether the Board found that either party had bargained in bad faith.

(c) A consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multiyear contract, the fact finder must consider the ability to pay over the life of the contract being negotiated or arbitrated.

- The fact finder's report must contain the facts upon which the fact finder based the fact finder's determination of financial ability to grant monetary benefits and the fact finder's recommendations or award.

8. Within 45 days after the receipt of the report from the fact finder, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

(a) The issues of the parties submitted pursuant to subsection 3;
(b) The report of findings and recommendations of the fact finder; and
(c) The overall fiscal impact of the findings and recommendations, which must not include a discussion of the details of the report.

- The fact finder must not be asked to discuss the decision during the meeting.

9. The chief executive officer of the local government shall report to the local government the fiscal impact of the findings and recommendations. The report must include, without limitation:

(a) An analysis of the impact of the findings and recommendations on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment;

(b) If any of the findings or recommendations of the fact finder are to be binding:

(1) The estimated total cost of any contract resulting from the findings or recommendations which are to be binding, including, without limitation, the estimated total cost of the employees' portion of contributions to the Public Employees' Retirement System that the local government employer will pay on behalf of the employees during the period of the contract in lieu of equivalent base salary increases of cost-of-living increases, or both, in the employees' salaries; and

(2) The difference between the estimated total cost of the contract and the total cost of the immediately preceding contract between the parties.

10. Any sum of money which is maintained in a fund whose balance is required by law to be:

(a) Used only for a specific purpose other than the payment of compensation to the bargaining unit affected; or

(b) Carried forward to the succeeding fiscal year in any designated amount, to the extent of that amount,
must not be counted in determining the financial ability of a local government employer and must not be used to pay any monetary benefits recommended or awarded by the fact finder.

11. The issues which may be included in a panel's order pursuant to subsection 6 are:

(a) Those enumerated in subsection 2 of NRS 288.150 as the subjects of mandatory bargaining, unless precluded for that year by an existing collective bargaining agreement between the parties; and
(b) Those which an existing collective bargaining agreement between the parties makes subject to negotiation in that year.

This subsection does not preclude the voluntary submission of other issues by the parties pursuant to subsection 5.

Sec. 2. (Deleted by amendment.)

Sec. 3. NRS 288.215 is hereby amended to read as follows:

288.215 1. As used in this section:

(a) "Firefighters" means those persons who are salaried employees of a fire prevention or suppression unit organized by a political subdivision of the State and whose principal duties are controlling and extinguishing fires.

(b) "Police officers" means those persons who are salaried employees of a police department or other law enforcement agency organized by a political subdivision of the State and whose principal duties are to enforce the law.

2. The provisions of this section apply only to firefighters and police officers and their local government employers.

3. If the parties have not agreed to make the findings and recommendations of the fact finder final and binding upon all issues, and do not otherwise resolve their dispute, they shall, within 10 days after the fact finder's report is submitted, submit the issues remaining in dispute to an arbitrator who must be selected in the manner provided in NRS 288.200 and have the same powers provided for fact finders in NRS 288.210.

4. The arbitrator shall, within 10 days after the arbitrator is selected, and after 7 days' written notice is given to the parties, hold a hearing to receive information concerning the dispute. The hearings must be held in the county in which the local government employer is located and the arbitrator shall arrange for a full and complete record of the hearings.

5. At the hearing, or at any subsequent time to which the hearing may be adjourned, information may be presented by:

(a) The parties to the dispute; or
(b) Any interested person.

6. The parties to the dispute shall each pay one-half of the costs incurred by the arbitrator.

7. A determination of the financial ability of a local government employer must be based on:

(a) All existing available revenues as established by the local government employer and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the local government employer to provide
facilities and services guaranteeing the health, welfare and safety of the people residing within the political subdivision.

(b) Consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multi-year contract the arbitrator must consider the ability to pay over the life of the contract being negotiated or arbitrated.

Once the arbitrator has determined in accordance with this subsection that there is a current financial ability to grant monetary benefits, the arbitrator shall consider, to the extent appropriate, compensation of other governmental employees, both in and out of this State.

8. At the recommendation of the arbitrator, the parties may, before the submission of a final offer, enter into negotiations. If the negotiations are begun, the arbitrator may adjourn the hearings for a period of 3 weeks. An agreement by the parties is final and binding, and upon notification to the arbitrator, the arbitration terminates.

9. If the parties do not enter into negotiations or do not agree within 30 days, each of the parties shall submit a single written statement containing its final offer for each of the unresolved issues.

10. The arbitrator shall, within 10 days after the final offers are submitted, accept one of the written statements, on the basis of the criteria provided in NRS 288.200, and shall report the decision to the parties. The decision of the arbitrator is final and binding on the parties. Any award of the arbitrator is retroactive to the expiration date of the last contract.

11. The decision of the arbitrator must include a statement:

(a) Giving the arbitrator's reasons for accepting the final offer that is the basis of the arbitrator's award; and

(b) Specifying the arbitrator's estimate of the total cost of the award.

12. Within 45 days after the receipt of the decision from the arbitrator pursuant to subsection 10, the governing body of the local government employer shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:

(a) The issues submitted pursuant to subsection 3;

(b) The statement of the arbitrator pursuant to subsection 11; and

(c) The overall fiscal impact of the decision, which must not include a discussion of the details of the decision.

The arbitrator must not be asked to discuss the decision during the meeting.

13. The chief executive officer of the local government shall report to the local government the fiscal impact of the decision. The report must include, without limitation:

(a) An analysis of the impact of the decision on compensation and reimbursement, funding, benefits, hours, working conditions or other terms and conditions of employment;

(b) The estimated total cost of any contract resulting from the decision, including, without limitation, the estimated total cost of the employees'
portion of contributions to the Public Employees' Retirement System that the local government employer will pay on behalf of firefighters or police officers, as applicable, during the period of the contract in lieu of equivalent base salary increases or cost-of-living increases, or both, in the employees' salaries; and

(c) The difference between the estimated total cost of the contract and the total cost of the immediately preceding contract between the parties.

Sec. 4. NRS 288.217 is hereby amended to read as follows:

288.217  1. The provisions of this section govern negotiations between school districts and employee organizations representing teachers and educational support personnel.

2. If the parties to a negotiation pursuant to this section have failed to reach an agreement after at least four sessions of negotiation, either party may declare the negotiations to be at an impasse and, after 5 days' written notice is given to the other party, submit the issues remaining in dispute to an arbitrator. The arbitrator must be selected in the manner provided in subsection 2 of NRS 288.200 and has the powers provided for fact finders in NRS 288.210.

3. The arbitrator shall, within 30 days after the arbitrator is selected, and after 7 days' written notice is given to the parties, hold a hearing to receive information concerning the dispute. The hearing must be held in the county in which the school district is located and the arbitrator shall arrange for a full and complete record of the hearing.

4. The parties to the dispute shall each pay one-half of the costs of the arbitration.

5. A determination of the financial ability of a school district must be based on:

(a) All existing available revenues as established by the school district and within the limitations set forth in NRS 354.6241, with due regard for the obligation of the school district to provide an education to the children residing within the district.

(b) Consideration of funding for the current year being negotiated. If the parties mutually agree to arbitrate a multi-year contract the arbitrator must consider the ability to pay over the life of the contract being negotiated or arbitrated.

Once the arbitrator has determined in accordance with this subsection that there is a current financial ability to grant monetary benefits, the arbitrator shall consider, to the extent appropriate, compensation of other governmental employees, both in and out of this State.

6. At the recommendation of the arbitrator, the parties may, before the submission of a final offer, enter into negotiations. If the negotiations are begun, the arbitrator may adjourn the hearing for a period of 3 weeks. If an agreement is reached, it must be submitted to the arbitrator, who shall certify it as final and binding.
7. If the parties do not enter into negotiations or do not agree within 30 days after the hearing held pursuant to subsection 3, each of the parties shall submit a single written statement containing its final offer for each of the unresolved issues.

8. The arbitrator shall, within 10 days after the final offers are submitted, render a decision on the basis of the criteria set forth in NRS 288.200. The arbitrator shall accept one of the written statements and shall report the decision to the parties. The decision of the arbitrator is final and binding on the parties. Any award of the arbitrator is retroactive to the expiration date of the last contract between the parties.

9. The decision of the arbitrator must include a statement:
   (a) Giving the arbitrator's reasons for accepting the final offer that is the basis of the arbitrator's award; and
   (b) Specifying the arbitrator's estimate of the total cost of the award.

10. Within 45 days after the receipt of the decision from the arbitrator, the board of trustees of the school district shall hold a public meeting in accordance with the provisions of chapter 241 of NRS. The meeting must include a discussion of:
    (a) The issues submitted pursuant to subsection 2;
    (b) The statement of the arbitrator pursuant to subsection 9; and
    (c) The overall fiscal impact of the decision which must not include a discussion of the details of the decision. The arbitrator must not be asked to discuss the decision during the meeting.

11. The superintendent of the school district shall report to the board of trustees the fiscal impact of the decision. The report must include, without limitation:
    (a) An analysis of the impact of the decision on compensation and reimbursement, benefits, hours, working conditions or other terms and conditions of employment:
    (b) The estimated total cost of any contract resulting from the decision, including, without limitation, the estimated total cost of the employees' portion of contributions to the Public Employees' Retirement System that the school district will pay on behalf of teachers and educational support personnel during the period of the contract in lieu of equivalent base salary increases or cost-of-living increases, or both, in the salaries of the teachers and educational support personnel; and
    (c) The difference between the estimated total cost of the contract and the total cost of the immediately preceding contract between the parties.

12. As used in this section:
    (a) "Educational support personnel" means all classified employees of a school district, other than teachers, who are represented by an employee organization.
(b) "Teacher" means an employee of a school district who is licensed to teach in this State and who is represented by an employee organization.

Sec. 5. This act becomes effective on July 1, 2011.

Senator Parks moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 98.
Motion carried.
Bill ordered transmitted to the Assembly.

RECEDE FROM SENATE AMENDMENTS
Senator Lee moved that the Senate do not recede from its action on Assembly Bill No. 59, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES
President Krolicki appointed Senators Lee, Hardy and Settelmeyer as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 59.

RECEDE FROM SENATE AMENDMENTS
Senator Lee moved that the Senate do not recede from its action on Assembly Bill No. 240, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES
President Krolicki appointed Senators Lee, Settelmeyer and Hardy as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 240.

RECEDE FROM SENATE AMENDMENTS
Senator Lee moved that the Senate do not recede from its action on Assembly Bill No. 257, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Remarks by Senator Lee.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES
President Krolicki appointed Senators Lee, Hardy and Settelmeyer as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 257.
RECEDE FROM SENATE AMENDMENTS

Senator Wiener moved that the Senate do not recede from its action on Assembly Bill No. 136, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Remarks by Senator Wiener.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES

President Krolicki appointed Senators Wiener, Breeden and McGinness as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 136.

RECEDE FROM SENATE AMENDMENTS

Senator Breeden moved that the Senate do not recede from its action on Assembly Bill No. 277, that a conference be requested, and that Mr. President appoint a Conference Committee consisting of three members to meet with a like committee of the Assembly.
Remarks by Senator Breeden.
Motion carried.
Bill ordered transmitted to the Assembly.

APPOINTMENT OF CONFERENCE COMMITTEES

President Krolicki appointed Senators Breeden, Manendo and Halseth as a Conference Committee to meet with a like committee of the Assembly for the further consideration of Assembly Bill No. 277.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 6:03 p.m.

SENATE IN SESSION

At 6:21 p.m.
President Krolicki presiding.
Quorum present.

REPORTS OF COMMITTEES

Mr. President:
Your Committee on Finance, to which were re-referred Senate Bills Nos. 115, 447, 471, 476, 480, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

STEVEN A. HORSFORD, Chair

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 380.
Senator Wiener moved that the bill be referred to the Committee on Commerce, Labor and Energy.
Motion carried.
Assembly Bill No. 383.
Senator Wiener moved that the bill be referred to the Committee on Legislative Operations and Elections.
Motion carried.

Assembly Bill No. 503.
Senator Wiener moved that the bill be referred to the Committee on Natural Resources.
Motion carried.

Assembly Bill No. 575.
Senator Wiener moved that the bill be referred to the Committee on Legislative Operations and Elections.
Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 115.
Bill read second time.
Senator Copening moved that Senate Bill No. 115 be taken from the Second Reading File and placed on the Second Reading File for the next legislative day.
Motion carried.

Senate Bill No. 447.
Bill read second time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 873.
"SUMMARY—Makes various changes concerning the administration of child welfare services. (BDR 38-1218)"
"AN ACT relating to protection of children; revising provisions governing the corrective actions that are required when an agency which provides child welfare services is not in compliance with certain laws, plans or policies; providing for the Division of Child and Family Services of the Department of Health and Human Services to award block grants, categorical grants and to administer a program to award incentive payments to an agency which provides child welfare services in larger counties; requiring the Division to submit an annual report to the Governor and the Legislature concerning the [block grants and the] program to award incentive payments; and providing other matters properly relating thereto."
Legislative Counsel's Digest:
Under existing law the Division of Child and Family Services of the Department of Health and Human Services provides child welfare services directly or arranges for the provision of such services in smaller counties. The Division further administers all federal money granted to the State for child welfare services and coordinates and monitors the delivery of child welfare services in this State. The Division further evaluates all child welfare services provided throughout the State and is required to ensure that agencies
which provide child welfare services carry out corrective actions when the agencies are not in compliance with the law or with statewide plans or policies. (NRS 432B.180) Section 2 of this bill requires an agency which provides child welfare services to carry out such corrective actions or develop and submit a corrective action plan to the Division within 60 days. Section 2 further requires the agency which provides child welfare services to carry out the corrective action plan within 90 days after it is approved. If it is not carried out within that time, the agency which provides child welfare services is subject to certain actions by the Division, which may include having money withheld.

Section 3 of this bill requires each agency which provides child welfare services to submit an improvement plan to the Division of Child and Family Services to award block grants for each calendar year to an agency which provides child welfare services in larger counties. Beginning January 1, 2013, section 3 requires a request for a block grant to be accompanied by a plan submitted by the agency which provides child welfare services. Such a plan must cover a period of 2 years and include specific performance targets for improving the services provided to children in the care of the agency. Each year, the agency which provides child welfare services is required to submit data to the Division demonstrating the progress made toward meeting the specific performance targets.

Section 4 of this bill requires the Division of Child and Family Services to administer a program to award incentive payments to an agency which provides child welfare services in larger counties and sets forth the requirements for any agency to apply for and the Division to award such incentive payments. Sections 5 and 6 of this bill provide the manner in which an agency which provides child welfare services may apply for incentive payments for the fiscal years following an award of an incentive payment and provides that the amount of such subsequent incentive payments will be determined based upon whether the agency achieved the goal for which the incentive payment was made and, if not, the percentage of the goal that was achieved. Section 8.5 of this bill provides for a different amount for the incentive payments awarded in Fiscal Years 2012-2013 and 2013-2014.

Section 7 of this bill requires the Division of Child and Family Services to prepare and submit a report concerning the improvements plans and the program for incentive payments to the Governor and the Legislature on or before January 31 of each year. Section 7.5 of this bill requires the Division of Child and Family Services to award a block grant for each fiscal year to each agency which provides child welfare services in larger counties to the extent that money has been appropriated in an amount which is based on the amount appropriated for the previous biennium. An agency which provides child welfare services that receives a block grant is authorized
to use the money without restriction, and any money remaining at the
end of the fiscal year does not revert to the State General Fund. The
amount of the block grant will be reduced if the county appropriates an
amount less than the amount granted to the agency which provides child
welfare services for the fiscal year beginning on July 1, 2010.

Section 7.7 of this bill requires the Division of Child and Family
Services to provide a categorical grant to each agency which provides
child welfare services for each fiscal year for its adoption assistance
program to the extent that money is available for that purpose.

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

Section 1. Chapter 432B of NRS is hereby amended by adding thereto
the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. 1. When the Division of Child and Family Services
determines pursuant to subsection 7 of NRS 432B.180 that corrective
action by an agency which provides child welfare services is necessary, the
Division shall notify the agency which provides child welfare services of
the specific areas in which the agency is in noncompliance with the federal
or state laws, regulations adopted pursuant to such laws or statewide plans
or policies and inform the agency which provides child welfare services
that it must, within 60 days, carry out the corrective action or develop a
corrective action plan.

2. The Division of Child and Family Services shall determine whether
to approve a corrective action plan submitted pursuant to subsection 1
within 30 days after receipt. If the Division of Child and Family Services
does not approve the plan, the Division of Child and Family Services must
notify the agency which provides child welfare services of the deficiencies
and allow the agency which provides child welfare services 30 days in
which to submit a revised corrective action plan for reconsideration. If a
revised corrective action plan is not resubmitted within 30 days, the
Division may take any of the actions set forth in subsection 4.

3. After the Division of Child and Family Services approves a
corrective action plan, the agency which provides child welfare services
must carry out the plan within 90 days.

4. If the agency which provides child welfare services fails to take
corrective action or to carry out a corrective action plan within the
required period, the Division of Child and Family Services may take one or
more of the following actions:
   (a) Withhold money from the agency which provides child welfare
       services;
   (b) Impose an administrative fine against the agency which provides child
       welfare services;
   (c) Provide the agency which provides child welfare services with direct
       supervision and recover the cost and expenses incurred by the Division in
       providing such supervision; and
(d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributed to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws or statewide plans or policies, including, without limitation, suspension of the employee without pay, if appropriate.

5. The Division of Child and Family Services shall adopt regulations to carry out the provisions of this section, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.

6. The Division of Child and Family Services shall deposit any money received from the administrative fines imposed pursuant to this section with the State Treasurer for credit to the State General Fund. The State Treasurer shall account separately for the money deposited pursuant to this subsection. The money in the account may only be used by the Division to improve the provision of child welfare services in this State, including, without limitation:

(a) To pay the costs associated with providing training and technical assistance and conducting quality improvement activities for an agency which provides child welfare services to assist the agency in any area in which the agency has failed to take corrective action; and

(b) Hiring a qualified consultant to conduct such training, technical assistance and quality improvement activities.

Sec. 3. 1. [On or before January 1 of each year, an agency which provides child welfare services in a county whose population is 100,000 or more may request a block grant from the Division of Child and Family Services.

2. Each agency which provides child welfare services that submits a request for a block grant shall submit an improvement plan to the Division of Child and Family Services on or after before January 1 of, 2013, must include an improvement plan with the request.

3. Before submitting an improvement plan pursuant to subsection 2, the agency must solicit public input regarding the proposed improvement plan. The agency which provides child welfare services shall submit with the improvement plan an explanation of the manner in which the agency solicited such public input and a summary of any input received.

4. The improvement plan must cover a period of 2 years and include, without limitation:
(a) Specific performance targets for improving the safety, permanency and well-being of the children in the care of the agency which provides child welfare services; and

(b) The approach that the agency which provides child welfare services will take to achieve the specific performance targets, including, without limitation, specific strategies that will be used.

(5) The Division of Child and Family Services shall award a block grant to an agency which provides child welfare services that comply with the provisions of this section to the extent that money has been appropriated for that purpose.

4. On or before December 31 of each year, an agency which provides child welfare services that receives a block grant pursuant to this section after submitting an improvement plan must submit to the Division of Child and Family Services data demonstrating the progress that the agency which provides child welfare services has made towards meeting the specific performance targets set forth in the improvement plan submitted pursuant to subsection 1.

Sec. 4. 1. The Division of Child and Family Services shall administer a program to award incentive payments to an agency which provides child welfare services in a county whose population is 100,000 or more.

2. On or before May 1 of each year, an agency which provides child welfare services may submit an application to the Division of Child and Family Services for an incentive payment.

3. The application for an incentive payment must include, without limitation:

(a) A description of the specific goal that the agency which provides child welfare services agrees to achieve by June 30 of the following year if the incentive payment is awarded;

(b) Baseline data to support the need to achieve the specific goal and which will provide a manner in which to measure whether the goal is achieved or to determine the percentage of the goal that is achieved; and

(c) The amount requested by the agency which provides child welfare services as an incentive payment.

4. If the Division of Child and Family Services does not approve the application, the Division must notify the agency which provides child welfare services of the specific deficiencies in the application and allow the agency to resubmit the application within 30 days.

5. If the Division of Child and Family Services approves the application, the Division of Child and Family Services shall, to the extent that money is available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted.

Sec. 5. 1. Each year following the award of an incentive payment pursuant to section 4 of this act, the agency which provides child welfare services may submit an application on or before May 1 for an incentive
payment to be awarded for the next fiscal year beginning on July 1 following approval of the application.

2. The agency which provides child welfare services shall submit the application in the manner set forth in section 4 of this act and must, in addition to the information required pursuant to section 4 of this act, include an estimate of the percentage of the goals established in the prior application that will be achieved by the agency which provides child welfare services by June 30. If the agency which provides child welfare services does not estimate that it will achieve at least 75 percent of the goal that was established, the application must be denied and the agency which provides child welfare services will not be eligible for an incentive payment.

3. If the Division of Child and Family Services approves the application, the Division shall, to the extent that money has been made available for that purpose, award an incentive payment to the agency which provides child welfare services for the fiscal year beginning on July 1 of the year in which the application is submitted in an amount not to exceed a percentage of the amount awarded for the current fiscal year as determined pursuant to subsection 4.

4. The amount of an incentive payment that may be awarded for the next fiscal year pursuant to this section must not exceed 40 percent of the amount awarded for the current fiscal year if the agency which provides child welfare services estimates that it will achieve not less than 75 percent and not more than 76 percent of the goal established for the current fiscal year by June 30. The amount of an incentive payment that may be awarded increases by 3 percent for each additional percentage point of completion of the goal established for the current fiscal year, up to a maximum of 100 percent of the amount of the incentive payment awarded for the current fiscal year.

Sec. 6. 1. On or before September 1 of the year following the year in which an agency which provides child welfare services is awarded an incentive payment from the program established pursuant to section 4 of this act, the agency which provides child welfare services shall submit to the Division of Child and Family Services a report which demonstrates whether the goal established pursuant to section 4 of this act was achieved and, if not, the percentage of the goal that was achieved by June 30 of the fiscal year in which the incentive payment was awarded.

2. If the report submitted pursuant to subsection 1 demonstrates that the agency which provides child welfare services achieved:
(a) A greater percentage of the goal than estimated pursuant to section 5 of this act, the Division of Child and Family Services shall increase the incentive payment to the agency which provides child welfare services by an amount equal to the additional amount that should have been awarded pursuant to subsection 4 of section 5 of this act; or
(b) A lower percentage of the goal than estimated pursuant to section 5 of this act, the agency which provides child welfare services shall
reimburse to the Division an amount equal to the additional amount that should not have been awarded pursuant to subsection 4 of section 5 of this act.

Sec. 7. On or before January 31 of each year, the Division of Child and Family Services shall prepare and submit a report to the Governor and the Legislature which includes, without limitation, information concerning:

1. The progress made by each agency which provides child welfare services in a county whose population is 100,000 or more toward achieving the specific performance targets set forth in an improvement plan submitted by the agency pursuant to section 3 of this act; and

2. Whether the agency which provides child welfare services in a county whose population is 100,000 or more achieved the specific goal established pursuant to section 4 of this act during the previous fiscal year and, if not, the percentage of the goal that was achieved.

Sec. 7.5. 1. The Division of Child and Family Services shall award a block grant to each agency which provides child welfare services in a county whose population is 100,000 or more for each fiscal year to the extent that money has been appropriated to the Division for that purpose. The amount of the appropriation to the Division of Child and Family Services must be based on the amount appropriated for the previous biennium. The amount of the block grant must be determined for 2 years beginning on July 1 of each odd-numbered year and allocated each fiscal year.

2. An agency which provides child welfare services that receives a block grant pursuant to subsection 1 may use the money allocated for any costs of providing child welfare services without restriction, the agency which provides child welfare services is not required to return any money remaining from that allocation at the end of the fiscal year, and the money does not revert to the State General Fund.

3. If the board of county commissioners of a county whose population is 100,000 or more appropriates to the agency which provides child welfare services for the county an amount less than the amount appropriated to the agency for the fiscal year beginning on July 1, 2010, the Division of Child and Family Services must reduce the amount of the block grant awarded pursuant to subsection 1 by an equal amount.

Sec. 7.7. 1. The Division of Child and Family Services shall provide a categorical grant to each agency which provides child welfare services for each fiscal year for its adoption assistance program to the extent that money has been appropriated to the Division for that purpose. The amount of the grant must be based upon the estimated cost of the projected growth in the adoption assistance program.

2. The amount of the grant awarded pursuant to subsection 1 must be determined for 2 years beginning on July 1 of each odd-numbered year and allocated each fiscal year.
3. An agency which provides child welfare services that receives a grant pursuant to subsection 1 must use the money allocated only for costs associated with the adoption assistance program. Any money from the grant awarded pursuant to subsection 1 that has not been used or committed for expenditure by the agency which provides child welfare services by the end of the fiscal year reverts to the State General Fund.

Sec. 8. NRS 432B.180 is hereby amended to read as follows:

432B.180 The Division of Child and Family Services shall:
1. Administer any money granted to the State by the Federal Government.
2. Plan, coordinate and monitor the delivery of child welfare services provided throughout the State. Request appropriations from the Legislature in amounts sufficient to:
   (a) Provide block grants to an agency which provides child welfare services in a county whose population is 100,000 or more pursuant to section 3.5 of this act; and
   (b) Administer a program to provide additional incentive payments to such an agency pursuant to section 4 of this act.
3. Monitor the performance of an agency which provides child welfare services in a county whose population is 100,000 or more through data collection, evaluation of services and the review and approval of agency improvement plans pursuant to section 4 of this act.
4. Provide child welfare services directly or arrange for the provision of those services in a county whose population is less than 100,000.
5. Coordinate its activities with and assist the efforts of any law enforcement agency, a court of competent jurisdiction, an agency which provides child welfare services and any public or private organization which provides social services for the prevention, identification and treatment of abuse or neglect of children and for permanent placement of children.
6. Involve communities in the improvement of child welfare services.
7. Evaluate all child welfare services provided throughout the State and, if an agency which provides child welfare services is not in substantial compliance with any federal or state law relating to the provision of child welfare services, regulations adopted pursuant to those laws or statewide plans or policies relating to the provision of child welfare services, require corrective action of the agency which provides child welfare services.
8. If an agency which provides child welfare services fails to take corrective action required pursuant to subsection 6 within a reasonable period, take one or more of the following actions against the agency which provides child welfare services:
   (a) Withhold money from the agency which provides child welfare services;
   (b) Impose an administrative fine against the agency which provides child welfare services;
(c) Provide the agency which provides child welfare services with direct supervision and recover the cost and expenses incurred by the Division in providing such supervision; and

(d) Require the agency which provides child welfare services to determine whether it is necessary to impose disciplinary action that is consistent with the personnel rules of the agency which provides child welfare services against an employee who substantially contributes to the noncompliance of the agency which provides child welfare services with the federal or state laws, regulations adopted pursuant to such laws, or statewide plans or policies, including, without limitation, suspension of the employee without pay, if appropriate.

The Division shall adopt regulations to carry out the provisions of this subsection, including, without limitation, regulations which prescribe the circumstances under which action must be taken against an agency which provides child welfare services for failure to take corrective action and which specify that any such action by the Division must not impede the provision of child welfare services.

8. In consultation with each agency which provides child welfare services, request sufficient money for the provision of child welfare services throughout this State.

9. Deposit any money received from the administrative fines imposed pursuant to this section with the State Treasurer for credit to the State General Fund. The State Treasurer shall account separately for the money deposited pursuant to this subsection. The money in the account may only be used by the Division to improve the provision of child welfare services in this State, including, without limitation:

(a) To pay the costs associated with providing training and technical assistance and conducting quality improvement activities for an agency which provides child welfare services to assist the agency in any area in which the agency has failed to take corrective action; and

(b) Hiring a qualified consultant to conduct such training, technical assistance and quality improvement activities.

10. Coordinate with and assist:

(a) Each agency which provides child welfare services in recruiting, training and licensing providers of family foster care as defined in NRS 424.017;

(b) Each foster care agency licensed pursuant to NRS 424.093 to 424.097, inclusive, in screening, recruiting, licensing and training providers of family foster care as defined in NRS 424.017; and

(c) A nonprofit or community-based organization in recruiting and training providers of family foster care as defined in NRS 424.017 if the Division determines that the organization provides a level of training that is equivalent to the level of training provided by an agency which provides child welfare services.
Sec. 8.5. Notwithstanding the provisions of section 5 of this act, the amount of the incentive payment awarded for:

1. Fiscal Year 2012-2013 must equal the amount awarded for Fiscal Year 2011-2012 regardless of the percentage point of completion of the goal established for Fiscal Year 2012-2013.
2. Fiscal Year 2013-2014 must equal 150 percent of the percentage point of completion of the goal established for Fiscal Year 2012-2013, up to a maximum of 100 percent of the amount of the incentive payment awarded for Fiscal Year 2012-2013.

Sec. 9. This act becomes effective on July 1, 2011.

Senator Leslie moved the adoption of the amendment.

Remarks by Senator Leslie.

Senator Leslie requested that her remarks be entered in the Journal.

Senate Bill No. 447, as amended, requires the Division of Child and Family Services, to the extent that money has been appropriated, to award block grants to counties whose population is 100,000 or more, currently Clark County and Washoe County, for the provision of child welfare services in those counties. The bill allows the counties that receive the block grants to use the money without restriction for child welfare services and without requirement to revert unspent money to the General Fund. The bill also requires the Division to provide a categorical grant to the same counties for the cost of adoption assistance services within the counties.

The bill provides for a performance improvement plan to be implemented by the Division, requiring each agency that provides child welfare services, Clark County and Washoe County and the Division itself, to submit improvement plans biennially to improve the safety, permanency, and well-being of children in the agencies’ care. The bill also requires the Division to administer an incentive program for the counties that provide child welfare services; to make fiscal incentive payments based upon the counties’ achievement of specific goals for improvement proposed by the counties and approved by the Division. The Division is required to submit a report to the Governor and the Legislature each year on the county child welfare agencies’ progress in achieving performance improvement targets.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 471.

Bill read second time.

The following amendment was proposed by the Committee on Finance:

Amendment No. 822.

"SUMMARY—Revises provisions relating to public health. (BDR 40-1200)"

"AN ACT relating to public health; requiring counties to pay an assessment to the Health Division of the Department of Health and Human Services for the cost of providing various services; authorizing a county to submit a proposal for the county to provide such services and receive an exemption from the assessment; revising the membership of a district board of health in certain counties; transferring the powers and duties of the Health Division regarding communicable diseases to a health authority in a county; authorizing the Health Division to impose administrative penalties for violations of certain provisions governing
emergency medical services; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Section 1 of this bill requires each county to reimburse the Health Division of the Department of Health and Human Services for the costs of services provided in that county by the Health Division or the State Health Officer. A county is authorized to request an exemption from the assessment by submitting a proposal to the Governor for the county to carry out those services. If the Governor approves the proposal, the Interim Finance Committee must consider whether to approve the exemption. An exemption may not be effective until at least 6 months after the Interim Finance Committee gives its approval.

Existing law provides for a health district in a county whose population is 700,000 or more (currently Clark County). The health district consists of a district health officer and a district board of health which consists of representatives selected by various governmental entities and selected by those representatives. (NRS 439.362) Section 1.5 of this bill adds one representative of the association of gaming establishments who meets certain requirements and is selected from a list of nominees submitted by the association. If no such association exists, the representative selected must represent the gaming industry.

Sections 4-20 of this bill transfer the powers and duties concerning control, prevention, treatment and cure of communicable diseases, including, without limitation, sexually transmitted diseases and tuberculosis, from the Health Division to the health authority. Under existing law, the term "health authority" is defined for the purposes of certain provisions governing infectious diseases to mean the district health officer or his or her designee in those counties that have a district health officer or the State Health Officer or his or her designee in those counties that do not have a district health officer. (NRS 441A.050) If the State Health Officer or his or her designee performs any such duties for a county, the county must reimburse the Health Division for the cost of such services as required by section 1 of this bill.

Sections 23 and 24 of this bill: (1) authorize the Health Division to impose an administrative penalty against any person who violates certain provisions governing emergency medical services; and (2) restrict the use of certain money received by the Health Division, including money from such administrative fines, for a training program for emergency medical services personnel.

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

Section 1. Chapter 439 of NRS is hereby amended by adding thereto a new section to read as follows:
1. Each county shall pay an assessment to the Health Division, in an amount determined by the Health Division, for the costs of services provided in that county by the Health Division or by the State Health Officer, including, without limitation, services provided pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters, regardless of whether the county has a local health authority.

2. The Health Division shall bill each county required to reimburse the Health Division pursuant to subsection 1. Each county shall pay the assessment to the Health Division in quarterly installments that are due on the first day of the first month of each calendar quarter.

3. A county may submit a proposal to the Governor for the county to carry out the services that would otherwise be provided by the Health Division or the State Health Officer pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters. If the Governor approves the proposal, the Governor shall submit a recommendation to the Interim Finance Committee to exempt the county from the assessment required pursuant to subsection 1. The Interim Finance Committee, upon receiving the recommendation from the Governor, shall consider the proposal and determine whether to approve the exemption. In considering whether to approve the exemption, the Interim Finance Committee shall consider, among other things, the best interests of the State, the effect of the exemption and the intent of the Legislature in requiring the assessment to be paid by each county.

4. An exemption that is approved by the Interim Finance Committee pursuant to subsection 3 must not become effective until at least 6 months after that approval.

5. A county that receives approval pursuant to subsection 3 to carry out the services that would otherwise be provided by the Health Division or the State Health Officer pursuant to this chapter and chapters 441A, 444, 446 and 583 of NRS and the regulations adopted pursuant to those chapters shall carry out those services in the manner set forth in those chapters and regulations.

6. The Health Division may adopt such regulations as necessary to carry out the provisions of this section.

Sec. 1.5. NRS 439.362 is hereby amended to read as follows:

439.362 1. A health district with a health department consisting of a district health officer and a district board of health is hereby created.

2. The district board of health consists of:

(a) Representatives selected by the following entities from among their elected members:

(1) Two representatives of the board of county commissioners;
(2) Two representatives of the governing body of the largest incorporated city in the county; and

(3) One representative of the governing body of each other city in the county; and

(b) The following representatives, selected by the elected representatives of the district board of health selected pursuant to paragraph (a), who shall represent the health district at large and who must be selected based on their qualifications without regard to the location within the health district of their residence or their place of employment:

(1) Two representatives who are physicians licensed to practice medicine in this State, one of whom is selected on the basis of his or her education, training, experience or demonstrated abilities in the provision of health care services to members of minority groups and other medically underserved populations;

(2) One representative who is a nurse licensed to practice nursing in this State;

(3) One representative who has a background or expertise in environmental health or environmental health services; and

(4) One representative of a nongaming business or from an industry that is subject to regulation by the health district.

(5) One representative of the association of gaming establishments whose membership in the county collectively paid the most gross revenue fees to the State pursuant to NRS 463.370 in the preceding year, who must be selected from a list of nominees submitted by the association. If no such association exists, the representative selected pursuant to this subparagraph must represent the gaming industry.

3. Members of the district board of health serve terms of 2 years. Vacancies must be filled in the same manner as the original selection for the remainder of the unexpired term. Members serve without additional compensation for their services, but are entitled to reimbursement for necessary expenses for attending meetings or otherwise engaging in the business of the board.

4. The district board of health shall meet in July of each year to organize and elect one of its members as chair of the board.

5. The county treasurer is the treasurer of the district board of health. The treasurer shall:

(a) Keep permanent accounts of all money received by, disbursed for and on behalf of the district board of health; and

(b) Administer the health district fund created by the board of county commissioners pursuant to NRS 439.363.

6. The district board of health shall maintain records of all of its proceedings and minutes of all meetings, which must be open to inspection.

7. No county, city or town board of health may be created in the county. Any county, city or town board of health in existence when the district board of health is created must be abolished.
Sec. 2. NRS 441A.120 is hereby amended to read as follows:

441A.120 1. The Board shall adopt regulations governing the control of communicable diseases in this State, including regulations specifically relating to the control of such diseases in educational, medical and correctional institutions. The regulations must specify:

1. The diseases which are known to be communicable.
2. The communicable diseases which are known to be sexually transmitted.
3. The procedures for investigating and reporting cases or suspected cases of communicable diseases, including the time within which these actions must be taken.
4. For each communicable disease, the procedures for testing, treating, isolating and quarantining a person or group of persons who have been exposed to or have or are suspected of having the disease.
5. A method for ensuring that any testing, treatment, isolation or quarantine of a person or a group of persons pursuant to this chapter is carried out in the least restrictive manner or environment that is appropriate and acceptable under current medical and public health practices.

2. The duties set forth in the regulations adopted by the Board pursuant to this section must be performed by:

(a) In a district in which there is a district health officer, the district health officer or the district health officer's designee; or
(b) In any other area of the State, the State Health Officer or the State Health Officer's designee.

Sec. 3. NRS 441A.160 is hereby amended to read as follows:

441A.160 1. A health authority who knows, suspects or is informed of the existence within the jurisdiction of the health authority of any communicable disease shall immediately investigate the matter and all circumstances connected with it, and shall take such measures for the prevention, suppression and control of the disease as are required by the regulations of the Board or a local board of health.

2. A health authority may:

(a) Enter private property at reasonable hours to investigate any case or suspected case of a communicable disease.
(b) Order any person whom the health authority reasonably suspects has a communicable disease in an infectious state to submit to any medical examination or test which the health authority believes is necessary to verify the presence of the disease. The order must be in writing and specify the name of the person to be examined and the time and place of the examination and testing, and may include such terms and conditions as the health authority believes are necessary to protect the public health.
(c) Except as otherwise provided in subsection 5 and NRS 441A.210, issue an order requiring the isolation, quarantine or treatment of any person or group of persons if the health authority believes that such action is necessary to protect the public health. The order must be in writing and
specify the person or group of persons to be isolated or quarantined, the time during which the order is effective, the place of isolation or quarantine and other terms and conditions which the health authority believes are necessary to protect the public health, except that no isolation or quarantine may take place if the health authority determines that such action may endanger the life of a person who is isolated or quarantined.

3. Each order issued pursuant to this section must be served upon each person named in the order by delivering a copy to him or her.

4. If a health authority issues an order to isolate or quarantine a person with a communicable or infectious disease in a medical facility, the health authority must isolate or quarantine the person in the manner set forth in NRS 441A.500 to 441A.720, inclusive.

5. Except as otherwise provided in NRS 441A.310 and 441A.380, a health authority may not issue an order requiring the involuntary treatment of a person without a court order requiring the person to submit to treatment.

Sec. 4. NRS 441A.240 is hereby amended to read as follows:

441A.240 1. The health authority shall control, prevent, treat and, whenever possible, ensure the cure of sexually transmitted diseases.

2. The health authority shall provide the materials and curriculum necessary to conduct the educational program provided for in NRS 209.385 and establish a program for the certification of persons qualified to provide instruction for the program.

Sec. 5. NRS 441A.250 is hereby amended to read as follows:

441A.250 The health authority may establish and provide financial or other support to such clinics and dispensaries as it believes are reasonably necessary for the prevention, control, treatment or cure of sexually transmitted diseases.

Sec. 6. NRS 441A.260 is hereby amended to read as follows:

441A.260 If a person in this state who has a sexually transmitted disease is, in the discretion of the health authority, unable to afford approved treatment for the disease, the health authority may provide medical supplies or direct financial aid to any physician, clinic or dispensary in this state, within the limits of the available appropriations and any other resources, to be used in the person's treatment. A physician, clinic or dispensary that accepts supplies or aid pursuant to this section shall comply with all conditions prescribed by the Board relating to the use of the supplies or aid.

Sec. 7. NRS 441A.330 is hereby amended to read as follows:

441A.330 The health authority may establish such dispensaries, pharmacies or clinics for outpatient care as it believes are necessary for the care and treatment of persons who have acquired immune deficiency syndrome or a human immunodeficiency virus related disease, and provide those institutions with financial or other assistance. Dispensaries, pharmacies or clinics which accept financial or other assistance pursuant to
this section shall comply with all conditions prescribed by the Board relating to the use of that assistance.

Sec. 8. NRS 441A.340 is hereby amended to read as follows:

441A.340 The [Health Division] health authority shall control, prevent the spread of, and ensure the treatment and cure of tuberculosis.

Sec. 9. NRS 441A.350 is hereby amended to read as follows:

441A.350 The [Health Division] health authority may establish such clinics as it believes are necessary for the prevention and control of, and for the treatment and cure of, persons who have tuberculosis and provide those clinics with financial or other assistance within the limits of the available appropriations and any other resources.

Sec. 10. NRS 441A.360 is hereby amended to read as follows:

441A.360 If a person in this state who has tuberculosis is, in the discretion of the [Health Division] health authority, unable to afford approved treatment for the disease, the [Health Division] health authority may provide medical supplies or direct financial aid, within the limits of the available appropriations and any other resources, to be used in the person's treatment, to any physician, clinic, dispensary or medical facility. A physician, clinic, dispensary or medical facility that accepts supplies or aid pursuant to this section shall comply with all conditions prescribed by the board relating to the use of the supplies or aid.

Sec. 11. NRS 441A.370 is hereby amended to read as follows:

441A.370 1. The [Health Division] health authority shall, by contract with hospitals, clinics or other institutions in the State, provide for [the] :

(a) The diagnostic examination, including, without limitation, laboratory testing of inpatient and inpatient persons who have tuberculosis; and

(b) Inpatient and outpatient care for inpatient and outpatient persons who have tuberculosis.

2. If adequate facilities for examination and care are not available in the State, the [Health Division] health authority may contract with hospitals, clinics or other institutions in other states which do have adequate facilities.

Sec. 12. NRS 441A.380 is hereby amended to read as follows:

441A.380 Except as otherwise provided in NRS 441A.210, a person who has tuberculosis and is confined to a hospital or other institution pursuant to the provisions of this chapter must be treated for tuberculosis and any related condition, and may be treated for any other condition which the [Health Division] health authority determines is detrimental to his or her health and the treatment of which is necessary for the effective control of tuberculosis.

Sec. 13. NRS 441A.390 is hereby amended to read as follows:

441A.390 The [Health Division] health authority may contract with any private physician to provide outpatient care in those rural areas of the State where, in its determination, patients can best be treated in that manner.

Sec. 14. NRS 441A.400 is hereby amended to read as follows:

441A.400 The [Health Division] health authority may inspect and must be given access to all records of every institution and clinic, both public and private, where patients who have tuberculosis are treated at public expense.
Sec. 15. NRS 441A.510 is hereby amended to read as follows:

441A.510 1. If a health authority isolates, quarantines or treats a person or group of persons infected with, exposed to, or reasonably believed by a health authority to have been infected with or exposed to a communicable disease, the authority must isolate, quarantine or treat the person or group of persons in the manner set forth in NRS 441A.500 to 441A.720, inclusive.

2. A health authority shall provide each person whom it isolates or quarantines pursuant to NRS 441A.500 to 441A.720, inclusive, with a document informing the person of his or her rights. The Board shall adopt regulations:
   (a) Setting forth the rights of a person who is isolated or quarantined that must be included in the document provided pursuant to this subsection; and
   (b) Specifying the time and manner in which the document must be provided pursuant to this subsection.

Sec. 16. NRS 441A.520 is hereby amended to read as follows:

441A.520 1. A person who is isolated or quarantined pursuant to NRS 441A.500 to 441A.720, inclusive, has the right:
   (a) To make a reasonable number of completed telephone calls from the place where the person is isolated or quarantined as soon as reasonably possible after his or her isolation or quarantine; and
   (b) To possess and use a cellular phone or any other similar means of communication to make and receive calls in the place where the person is isolated or quarantined.

2. If a person who is isolated or quarantined pursuant to NRS 441A.500 to 441A.720, inclusive, is unconscious or otherwise unable to communicate because of mental or physical incapacity, the health authority that isolated or quarantined the person must notify the spouse or legal guardian of the person by telephone and certified mail. If a person described in this subsection is isolated or quarantined in a medical facility and the health authority did not provide the notice required by this subsection, the medical facility must provide the notice. If the case of a person described in this subsection is before a court and the health authority, and medical facility, if any, did not provide the notice required by this subsection, the court must provide the notice.

Sec. 17. NRS 441A.530 is hereby amended to read as follows:

441A.530 A person who is isolated or quarantined pursuant to NRS 441A.500 to 441A.720, inclusive, has the right to refuse treatment and may not be required to submit to involuntary treatment unless a court issues an order requiring the person to submit to treatment.

Sec. 18. NRS 441A.550 is hereby amended to read as follows:

441A.550 1. Any person or group of persons alleged to have been infected with or exposed to a communicable disease may be detained in a public or private medical facility, a residence or other safe location under emergency isolation or quarantine for testing, examination, observation and
the provision of or arrangement for the provision of consensual medical treatment in the manner set forth in NRS 441A.500 to 441A.720, inclusive, and subject to the provisions of subsection 2:

(a) Upon application to a health authority pursuant to NRS 441A.560;

(b) Upon order of a health authority; or

(c) Upon voluntary consent of the person, parent of a minor person or legal guardian of the person.

2. Except as otherwise provided in subsection 3, 4 or 5, a person voluntarily or involuntarily isolated or quarantined under subsection 1 must be released within 72 hours, including weekends and holidays, from the time of the admission of the person to a medical facility or isolation or quarantine in a residence or other safe location, unless within that period:

(a) The additional voluntary consent of the person, the parent of a minor person or a legal guardian of the person is obtained;

(b) A written petition for an involuntary court-ordered isolation or quarantine is filed with the clerk of the district court pursuant to NRS 441A.600, including, without limitation, the documents required pursuant to NRS 441A.610; or

(c) The status of the person is changed to a voluntary isolation or quarantine.

3. A person who is involuntarily isolated or quarantined under subsection 1 may, immediately after the person is isolated or quarantined, seek an injunction or other appropriate process in district court challenging his or her detention.

4. If the period specified in subsection 2 expires on a day on which the office of the clerk of the district court is not open, the written petition must be filed on or before the close of the business day next following the expiration of that period.

5. During a state of emergency or declaration of disaster regarding public health proclaimed by the Governor or the Legislature pursuant to NRS 414.070, a health authority may, before the expiration of the period of 72 hours set forth in subsection 2, petition, with affidavits supporting its request, a district court for an order finding that a reasonably foreseeable immediate threat to the health of the public requires the 72-hour period of time to be extended for no longer than the court deems necessary for available governmental resources to investigate, file and prosecute the relevant written petitions for involuntary court-ordered isolation or quarantine pursuant to NRS 441A.500 to 441A.720, inclusive.

Sec. 19. NRS 441A.560 is hereby amended to read as follows:

441A.560 1. An application to a health authority for an order of emergency isolation or quarantine of a person or a group of persons alleged to have been infected with or exposed to a communicable disease may only be made by another health authority, a physician, a physician assistant licensed pursuant to chapter 630 or 633 of NRS, a registered nurse or a medical facility by submitting the certificate required by NRS 441A.570.
Within its jurisdiction, upon application or on its own, subject to the provisions of NRS 441A.500 to 441A.720, inclusive, a health authority may:

(a) Pursuant to its own order and without a warrant:

(1) Take a person or group of persons alleged to and reasonably believed by the health authority to have been infected with or exposed to a communicable disease into custody in any safe location under emergency isolation or quarantine for testing, examination, observation and the provision of or arrangement for the provision of consensual medical treatment; and

(2) Transport the person or group of persons alleged to and reasonably believed by the health authority to have been infected with or exposed to a communicable disease to a public or private medical facility, a residence or other safe location for that purpose, or arrange for the person or group of persons to be transported for that purpose by:

(I) A local law enforcement agency;

(II) A system for the nonemergency medical transportation of persons whose operation is authorized by the Nevada Transportation Authority; or

(III) If medically necessary, an ambulance service that holds a permit issued pursuant to the provisions of chapter 450B of NRS, only if the health authority acting in good faith has, based upon personal observation, its own epidemiological investigation or an epidemiological investigation by another health authority, a physician, a physician assistant licensed pursuant to chapter 630 or 633 of NRS or a registered nurse as stated in a certificate submitted pursuant to NRS 441A.570, if such a certificate was submitted, of the person or group of persons alleged to have been infected with or exposed to a communicable disease, a reasonable factual and medical basis to believe that the person or group of persons has been infected with or exposed to a communicable disease, and that because of the risks of that disease, the person or group of persons is likely to be an immediate threat to the health of members of the public who have not been infected with or exposed to the communicable disease.

(b) Petition a district court for an emergency order requiring:

(1) Any health authority or peace officer to take a person or group of persons alleged to have been infected with or exposed to a communicable disease into custody to allow the health authority to investigate, file and prosecute a petition for the involuntary court-ordered isolation or quarantine of the person or group of persons alleged to have been infected with or exposed to a communicable disease in the manner set forth in NRS 441A.500 to 441A.720, inclusive; and

(2) Any agency, system or service described in subparagraph (2) of paragraph (a) to transport, in accordance with such court order, the person or group of persons alleged to have been infected with or exposed to a communicable disease to a public or private medical facility, a residence or other safe location for that purpose.
2. The district court may issue an emergency order for isolation or quarantine pursuant to paragraph (b) of subsection 1:
   (a) Only for the time deemed necessary by the court to allow a health authority to investigate, file and prosecute each petition for involuntary court-ordered isolation or quarantine pursuant to NRS 441A.500 to 441A.720, inclusive; and
   (b) Only if it is satisfied that there is probable cause to believe that the person or group of persons alleged to have been infected with or exposed to a communicable disease has been infected with or exposed to a communicable disease, and that because of the risks of that disease, the person or group of persons is likely to be an immediate threat to the health of the public.

Sec. 20. NRS 441A.640 is hereby amended to read as follows:
441A.640 1. The health authority shall establish such evaluation teams as are necessary to aid the courts under NRS 441A.630 and 441A.700.
2. Each team must be composed of at least two physicians, or at least one physician and one physician assistant licensed pursuant to chapter 630 or 633 of NRS.
3. Fees for the evaluations must be established and collected as set forth in NRS 441A.650.

Sec. 21. NRS 441A.690 is hereby amended to read as follows:
441A.690 Witnesses subpoenaed under the provisions of NRS 441A.500 to 441A.720, inclusive, shall be paid the same fees and mileage as are paid to witnesses in the courts of the State of Nevada.

Sec. 22. NRS 441A.720 is hereby amended to read as follows:
441A.720 When any involuntary court isolation or quarantine is ordered under the provisions of NRS 441A.500 to 441A.720, inclusive, the involuntarily isolated or quarantined person, together with the court orders, any certificates of the health authorities, physicians, physician assistants licensed pursuant to chapter 630 or 633 of NRS or registered nurses, the written summary of the evaluation team and a full and complete transcript of the notes of the official reporter made at the examination of such person before the court, must be delivered to the sheriff of the appropriate county who must be ordered to:
1. Transport the person; or
2. Arrange for the person to be transported by:
   (a) A system for the nonemergency medical transportation of persons whose operation is authorized by the Nevada Transportation Authority; or
   (b) If medically necessary, an ambulance service that holds a permit issued pursuant to the provisions of chapter 450B of NRS,
   to the appropriate public or private medical facility, residence or other safe location.

Sec. 23. Chapter 450B of NRS is hereby amended by adding thereto a new section to read as follows:
1. Any money the Health Division receives from a fee set by the State Board of Health pursuant to NRS 439.150 for the issuance or renewal of a license pursuant to NRS 450B.160, an administrative penalty imposed pursuant to NRS 450B.900 or an appropriation made by the Legislature for the purposes of training related to emergency medical services:
   (a) Must be deposited in the State Treasury and accounted for separately in the State General Fund;
   (b) May be used only to carry out a training program for emergency medical services personnel who work for a volunteer ambulance service or firefighting agency, including, without limitation, equipment for use in the training; and
   (c) Does not revert to the State General Fund at the end of any fiscal year.

2. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid in the manner that other claims against the State are paid.

3. The Administrator of the Health Division shall administer the account.

Sec. 24. NRS 450B.900 is hereby amended to read as follows:

450B.900 1. Any person who violates any of the provisions of this chapter is guilty of a misdemeanor.

2. In addition to any criminal penalty imposed, the Health Division may impose against any person who violates any of the provisions of this chapter, an administrative penalty in an amount established by the State Board of Health by regulation.

Sec. 25. NRS 3.223 is hereby amended to read as follows:

3.223 1. Except if the child involved is subject to the jurisdiction of an Indian tribe pursuant to the Indian Child Welfare Act of 1978, 25 U.S.C. §§ 1901 et seq., in each judicial district in which it is established, the family court has original, exclusive jurisdiction in any proceeding:
   (a) Brought pursuant to title 5 of NRS or chapter 31A, 123, 125, 125A, 125B, 125C, 126, 127, 128, 129, 130, 159, 425 or 432B of NRS, except to the extent that a specific statute authorizes the use of any other judicial or administrative procedure to facilitate the collection of an obligation for support.
   (b) Brought pursuant to NRS 442.255 and 442.2555 to request the court to issue an order authorizing an abortion.
   (c) For judicial approval of the marriage of a minor.
   (d) Otherwise within the jurisdiction of the juvenile court.
   (e) To establish the date of birth, place of birth or parentage of a minor.
   (f) To change the name of a minor.
   (g) For a judicial declaration of the sanity of a minor.
   (h) To approve the withholding or withdrawal of life-sustaining procedures from a person as authorized by law.
(i) Brought pursuant to NRS 433A.200 to 433A.330, inclusive, for an involuntary court-ordered admission to a mental health facility.

(j) Brought pursuant to NRS 441A.500 to 441A.720, inclusive, for an involuntary court-ordered isolation or quarantine.

2. The family court, where established and, except as otherwise provided in paragraph (m) of subsection 1 of NRS 4.370, the justice court have concurrent jurisdiction over actions for the issuance of a temporary or extended order for protection against domestic violence.

3. The family court, where established, and the district court have concurrent jurisdiction over any action for damages brought pursuant to NRS 41.134 by a person who suffered injury as the proximate result of an act that constitutes domestic violence.

Sec. 25.5. NRS 218E.405 is hereby amended to read as follows:

218E.405 1. Except as otherwise provided in subsection 2, the Interim Finance Committee may exercise the powers conferred upon it by law only when the Legislature is not in regular or special session.

2. During a regular or special session, the Interim Finance Committee may also perform the duties imposed on it by subsection 5 of NRS 284.115, NRS 284.1729, subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS 323.050, subsection 1 of NRS 323.100, subsection 3 of NRS 341.090, NRS 341.142, subsection 6 of NRS 341.145, NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive, 353.288, 353.335, 353C.226, paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375, 439.620, 439.630, 445B.830 and 538.650 and section 1 of this act. In performing those duties, the Senate Standing Committee on Finance and the Assembly Standing Committee on Ways and Means may meet separately and transmit the results of their respective votes to the Chair of the Interim Finance Committee to determine the action of the Interim Finance Committee as a whole.

3. The Chair of the Interim Finance Committee may appoint a subcommittee consisting of six members of the Committee to review and make recommendations to the Committee on matters of the State Public Works Board that require prior approval of the Interim Finance Committee pursuant to subsection 3 of NRS 341.090, NRS 341.142 and subsection 6 of NRS 341.145. If the Chair appoints such a subcommittee:

(a) The Chair shall designate one of the members of the subcommittee to serve as the chair of the subcommittee;

(b) The subcommittee shall meet throughout the year at the times and places specified by the call of the chair of the subcommittee; and

(c) The Director of the Legislative Counsel Bureau or the Director's designee shall act as the nonvoting recording secretary of the subcommittee.

Sec. 26. NRS 441A.500 is hereby repealed.

Sec. 27. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
Sec. 28. 1. Any contract or other agreement entered into by the Health Division of the Department of Health and Human Services is binding upon the State Health Officer if the responsibility for administration of the contract or other agreement is transferred. Any such contract or other agreement may be enforced by the State Health Officer if the responsibility for administration of the contract or other agreement is transferred.

2. Any contract or other agreement entered into by the Health Division of the Department of Health and Human Services is binding upon the district health officer in a district or the district health officer's designee if the responsibility for administration of the contract or other agreement is transferred. Any such contract or other agreement may be enforced by the district health officer in a district or the district health officer's designee if the responsibility for administration of the contract or other agreement is transferred.

Sec. 29. Any action taken by an officer or agency whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer or agency remains in effect as if taken by the officer or agency to which the responsibility for the enforcement of such actions has been transferred.

Sec. 30. The Health Division of the Department of Health and Human Services shall cooperate with the State Health Officer and the district health officer in a district or the district health officer's designee to ensure that the provisions of this act are carried out in an orderly manner.

Sec. 31. The Legislative Counsel shall, in preparing:

1. The reprint and supplement to the Nevada Revised Statutes with respect to any section which is not amended by this act or adopted or amended by another act, appropriately change any references to an officer, agency or other entity whose name is changed or whose duties are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity. If any internal reference is made to a section repealed by this act, the Legislative Counsel shall delete the reference and replace it by reference to the superseding section, if any.

2. Supplements to the Nevada Administrative Code, appropriately change any references to an officer, agency or other entity whose name is changed or whose duties are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

Sec. 32. This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTION

441A.500 "Health authority" defined. As used in NRS 441A.500 to 441A.720, inclusive, unless the context otherwise requires, "health authority" means:

1. The officers and agents of the Health Division;
2. The officers and agents of a health district; or
3. The district health officer in a district, or the district health officer's
designee, or, if none, the State Health Officer, or the State Health Officer's
designee.

Senator Leslie moved the adoption of the amendment.
Remarks by Senator Leslie.
Senator Leslie requested that her remarks be entered in the Journal.
This is a budget implementation bill. It relates to the costs of providing various services and
how the counties will pay. It also revises the membership of the District Board of Health in
certain counties.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 476.
Bill read second time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 872.
"SUMMARY—Makes various changes concerning the juvenile justice
system. (BDR 5-1216)"

"AN ACT relating to juvenile justice; requiring each county to pay an
assessment to the State for the activities of the Youth Parole Bureau of the
Division of Child and Family Services of the Department of Health and
Human Services; authorizing a county to submit a proposal for the
county to provide the services of the Youth Parole Bureau for the county
and receive an exemption from the assessment; prohibiting a juvenile
court from committing a delinquent child to a private institution; revising the
manner in which a determination is made about where to commit a
delinquent child; revising provisions relating to a juvenile who is held in a
detention facility pending a hearing concerning a violation of parole; and
providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law requires certain counties to pay an assessment for the
operation of regional facilities for the detention of children that are partially
supported by the State of Nevada and are operated by the county.
(NRS 62B.150) Section 6 of this bill repeals that provision. Section 1 of this
bill requires each county to pay an assessment for the activities of the
Youth Parole Bureau of the Division of Child and Family Services of the
Department of Health and Human Services. The amount of the assessment is
determined by the Administrator of the Division of Child and Family
Services using a formula that is based upon the number of pupils enrolled in
public schools in the county. Section 1 allows a county to request an
exemption from the assessment by submitting a proposal to the
Governor for the county to carry out the functions of the Youth Parole
Bureau for the county. If the Governor approves the proposal, the
Interim Finance Committee must consider whether to approve the
exemption. Section 4.5 of this bill provides that if such an exemption is
approved, the county is required to carry out the functions of the Youth Parole Bureau.

Section 2 of this bill removes the authority of a juvenile court to commit a child to a private institution under certain circumstances.

Existing law allows a juvenile court to commit a delinquent child to the custody of the Division of Child and Family Services for suitable placement, including a child between 8 and 12 years of age in certain circumstances. (NRS 62E.520) Section 3 of this bill removes the authority of a juvenile court to place a child who is between 8 and 12 years of age in a correctional or institutional facility. In addition, section 3 requires the juvenile court to confirm that there is a room allocated for the child in a state facility for the detention of children and adequate resources in the state facility to provide the necessary care of the child before committing the child to a state facility. Section 4 of this bill requires the Division to make an annual determination of the equitable allocation of rooms for each judicial district. The determination is based upon the number of pupils enrolled in public schools within the judicial district.

Existing law authorizes a juvenile court to order the return of a child who is alleged to have violated parole to a state facility for the detention of children or to be held in the local or regional facility for the detention of children pending a hearing. In addition, if the child is held in a local or regional facility, existing law requires the Youth Parole Bureau to pay the costs for the confinement of the child. (NRS 63.770) Section 5 of this bill removes the authority of a juvenile court to order the child to be returned to a state facility for the detention of children in such circumstances and removes the requirement that authorizes, instead of requiring, the Youth Parole Bureau pay the costs of confinement of a child who is held, pending a hearing, in a local or regional facility for the detention of children to the extent that money is available for that purpose.

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

Section 1. Chapter 62B of NRS is hereby amended by adding thereto a new section to read as follows:

1. Unless an exemption is approved pursuant to subsection 4, each county shall pay an assessment for the activities of the Youth Parole Bureau that are necessary to carry out the provisions of NRS 63.700 to 63.780, inclusive.

2. The assessment owed by each county equals the total amount budgeted by the Legislature for the operation of the Youth Parole Bureau, divided by the total number of pupils enrolled in grades 7 through 12 in public schools in this State in the preceding school year and multiplied by the number of pupils enrolled in grades 7 through 12 in public schools in the assessed county. The Administrator of the Division of Child and Family Services shall calculate the assessment owed by each county in June of each year for the ensuing fiscal year.
3. Each county must pay the assessed amount to the Division of Child and Family Services in quarterly installments that are due the first day of the first month of each calendar quarter.

4. A county may submit a proposal to the Governor for the county to carry out the provisions of NRS 63.700 to 63.780, inclusive, with respect to any child released from a state facility for the detention of children who resides within the county. If the Governor approves the proposal, the Governor must submit a recommendation to the Interim Finance Committee to exempt the county from the assessment required pursuant to subsection 1. The Interim Finance Committee, upon receiving the recommendation from the Governor, shall consider the proposal and determine whether to approve the exemption. In considering whether to approve the exemption, the Interim Finance Committee shall consider, among other things, the best interests of the State, the effect of the exemption and the intent of the Legislature in requiring the assessment to be paid by each county.

Sec. 2. NRS 62E.510 is hereby amended to read as follows:

62E.510  1. If a delinquent child is less than 12 years of age, the juvenile court shall not commit the child to a state facility for the detention of children.

2. If a delinquent child is 12 years of age or older, the juvenile court shall not commit the child to a private institution unless the commitment is approved by the superintendent of the state facility for the detention of children to which the child would otherwise have been committed.

Sec. 3. NRS 62E.520 is hereby amended to read as follows:

62E.520  1. The juvenile court may commit a delinquent child to the custody of the Division of Child and Family Services for suitable placement in a state facility for the detention of children if:

(a) The child is at least 8 years of age but less than 12 years of age, and the juvenile court finds that the child is in need of placement in a correctional or institutional facility; or

(b) The child is at least 12 years of age but less than 18 years of age, and the juvenile court finds that:

(1) Is in need of placement in a correctional or institutional facility; and

(2) Is in need of residential psychiatric services or other residential services for the mental health of the child, and the court has confirmed that there is a room allocated for the child in a state facility for the detention of children and adequate resources in the facility to provide the necessary care of the child.

2. Before the juvenile court commits a delinquent child to the custody of the Division of Child and Family Services, the juvenile court shall:

(a) Notify the Division at least 3 working days before the juvenile court holds a hearing to consider such a commitment; and

(b) At the request of the Division, provide the Division with not more than 10 working days within which to.
(1) Investigate the child and the circumstances of the child; and
(2) Recommend a suitable placement to the juvenile court. (Deleted by amendment.)

Sec. 4. NRS 63.400 is hereby amended to read as follows:
63.400  1. If the juvenile court or the Division of Child and Family Services commits or places a child in a facility, the superintendent of the facility shall accept the child unless, before the child is conveyed to the facility, the superintendent determines that:
   (a) There is not adequate room in the facility to provide the necessary care for the child;
   (b) There is not adequate money for the support of the child; or
   (c) In the opinion of the superintendent, the child is not suitable for admission to the facility.

2. On or before July 1 of each year, the Division of Child and Family Services shall determine an equitable allocation of rooms for each judicial district based upon the ratio that the number of pupils who were enrolled in grades 7 through 12 in public schools within the judicial district during the preceding school year bears to the total number of pupils enrolled in grades 7 through 12 in public schools in this State, as determined by the Department of Education.

3. The superintendent of the facility shall fix the time at which the child must be delivered to the facility.

Sec. 4.5. Chapter 63 of NRS is hereby amended by adding thereto a new section to read as follows:
1. A county that receives approval to carry out the provisions of NRS 63.700 to 63.780, inclusive, and an exemption from the assessment imposed pursuant to section 1 of this act shall:
   (a) Carry out the provisions of NRS 63.700 to 63.780, inclusive; and
   (b) Appoint a person to act in the place of the Chief of the Youth Parole Bureau in carrying out those provisions.

2. When a person is appointed by the county to act in the place of the Chief of the Youth Parole Bureau pursuant to subsection 1, the person so appointed shall be deemed to be the Chief of the Youth Parole Bureau for the purposes of NRS 63.700 to 63.780, inclusive.

Sec. 5. NRS 63.770 is hereby amended to read as follows:
63.770  1. A petition may be filed with the juvenile court to request that the parole of a child be suspended, modified or revoked.

2. Pending a hearing, the juvenile court may order:
   (a) The return of the child to the facility; or
(b) If approved by a local or regional facility for the detention of children, that the child be held in the local or regional facility for the detention of children.

3. If the child is held in a local or regional facility pending a hearing, the Youth Parole Bureau may pay all actual and reasonably necessary costs for the confinement of the child in the local or regional facility to the extent that money is available for that purpose.

4. If requested, the juvenile court shall allow the child reasonable time to prepare for the hearing.

5. The juvenile court shall render a decision within 10 days after the conclusion of the hearing.

Sec. 6. NRS 62B.150 is hereby repealed. (Deleted by amendment.)

Sec. 7. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 8. This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTION
62B.150 Certain counties to pay assessment for operation of regional facilities for detention of children partially supported by State.

1. Except as otherwise provided in subsection 6, each county shall pay an assessment for the operation of each regional facility for the detention of children that is partially supported by the State of Nevada and is operated by a county whose population is less than 400,000.

2. The assessment owed by each county equals the total amount budgeted by the Legislature for the operation of the regional facility, minus any money appropriated by the Legislature for the support of the regional facility, divided by the total number of pupils in this State in the preceding school year, excluding pupils in counties whose population is 400,000 or more, and multiplied by the number of pupils in the assessed county. The Administrator of the Division of Child and Family Services shall calculate the assessment owed by each county in June of each year for the ensuing fiscal year.

3. Each county must pay the assessed amount to the Division of Child and Family Services in quarterly installments that are due the first day of the first month of each calendar quarter.

4. The Administrator of the Division of Child and Family Services shall deposit the money received pursuant to subsection 3 in a separate account in the State General Fund. The money in the account may be withdrawn only by the Administrator for the operation of regional facilities for the detention of children.

5. Revenue raised by a county to pay the assessment required pursuant to subsection 1 is not subject to the limitations on revenue imposed pursuant to chapter 235 of NRS and must not be included in the calculation of those limitations.
6. The provisions of this section do not apply to a county whose population is 400,000 or more.
7. As used in this section, "regional facility for the detention of children" or "regional facility" does not include the institution in Lyon County known as Western Nevada Regional Youth Center.

Senator Leslie moved the adoption of the amendment.
Senator Leslie requested that her remarks be entered in the Journal.

This bill as amended requires each county in the State to pay an assessment for the cost of the activities of the Youth Parole Bureau for the Division of Child and Family Services. This is a budget implementation bill that requires the counties to start paying part of the cost of youth parole.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 480.
Bill read second time.
The following amendment was proposed by the Committee on Finance:
Amendment No. 871. "SUMMARY—Revises provisions relating to child protective services in certain less populated counties. (BDR 38-1219)"
"AN ACT relating to the protection of children; requiring certain less populated counties to reimburse an assessment to the Division of Child and Family Services of the Department of Health and Human Services for the costs of providing child protective services; authorizing a county to submit a proposal for the county to provide those services and receive an exemption from the assessment; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
Existing law requires the Division of Child and Family Services of the Department of Health and Human Services, in counties whose population is less than 100,000 (currently all counties other than Clark and Washoe Counties), to provide directly or arrange for the provision of child welfare services, including protective services, foster care services and adoption services. (NRS 432B.044, 432B.180) Section 4 of this bill requires each of those counties to pay an assessment for the provision of child protective services not to exceed the limit of legislative authorization for spending on child protective services by the Division in each such county. Section 4 allows a county to request an exemption from the assessment by submitting a proposal to the Governor for the county to carry out child protective services for the county. If the Governor approves the proposal, the Interim Finance Committee must consider whether to approve the exemption. Section 7 of this bill provides that if such an exemption is approved, the county is
required to carry out child protective services for the county in accordance with standards adopted by the Division and pay for the cost of those services.

Section 3 of this bill requires the Division to provide reports of certain information about the provision of child protective services to each county whose population is less than 100,000 and to the Governor. Section 3 also requires the Division to provide to each such county the total proposed budget of the Division for providing child protective services in that county for the next succeeding biennium.

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

Section 1. Chapter 432B of NRS is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this act.

Sec. 2. "Child protective services" means services for the protection of children, including, without limitation, investigations of abuse or neglect and assessments. The term does not include foster care services or services related to adoption.

Sec. 3. The Division of Child and Family Services shall submit:
1. A report on or before December 1 of each year to the Governor and to each county whose population is less than 100,000 that contains a statement of:
   (a) The total number of children who received child protective services in each county in the immediately preceding fiscal year; and
   (b) The amount and categories of the expenditures made by the Division on child protective services in each county in the immediately preceding fiscal year;
2. To each county whose population is less than 100,000, on or before December 1 of each even-numbered year, the total proposed budget of the Division for that county for the next succeeding biennium, including the projected number of children who will receive child protective services and the projected costs of child protective services attributed to the county; and
3. Such reports to the Legislative Commission as required by the Commission.

Sec. 4. 1. Each fiscal year, the Division of Child and Family Services shall collect from each county whose population is less than 100,000 an assessment in an amount which does not exceed the amount authorized by the Legislature for the provision of child protective services by the Division in the county during that year.
2. The Division shall provide each county whose population is less than 100,000, on or before May 1 of each year, with an estimate of the amount to be collected pursuant to subsection 1 of the assessment. The estimate becomes the final bill of the amount of the assessment unless the county is notified of a change within 2 weeks after the date on which the county.
contribution is approved by the Legislature. The county shall pay the assessment:

(a) In full within 30 days after the estimate becomes the final bill or the county receives a revised estimate; or

(b) In equal quarterly installments on or before the first day of July, October, January and April, respectively.

3. Money paid by a county pursuant to this section must be deposited by the Division with the State Treasurer, and the Division shall expend the money in accordance with the approved budget of the Division.

4. A county whose population is less than 100,000 may submit a proposal to the Governor for the county to carry out child protective services for the county. If the Governor approves the proposal, the Governor must submit a recommendation to the Interim Finance Committee to exempt the county from the assessment required pursuant to subsection 1. The Interim Finance Committee, upon receiving the recommendation from the Governor, shall consider the proposal and determine whether to approve the exemption. In considering whether to approve the exemption, the Interim Finance Committee shall consider, among other things, the best interests of the State, the effect of the exemption and the intent of the Legislature in requiring the assessment to be paid by the county.

Sec. 5. NRS 432B.010 is hereby amended to read as follows:

432B.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 432B.020 to 432B.110, inclusive, and section 2 of this act have the meanings ascribed to them in those sections.

Sec. 6. NRS 432B.044 is hereby amended to read as follows:

432B.044 "Child welfare services" includes, without limitation:

1. "Child protective services" as that term is defined in section 2 of this act.

2. Foster care services, including, without limitation, maintenance and special services, as defined in NRS 432.010; and

3. Services related to adoption.

Sec. 7. NRS 432B.325 is hereby amended to read as follows:

432B.325 1. Each county whose population is 100,000 or more shall provide child protective services for the children in that county and pay the cost of those services. The services must be provided in accordance with the standards adopted pursuant to NRS 432B.190.

2. A county whose population is less than 100,000 shall pay the Division of Child and Family Services that receives approval to carry out child protective services for the county and an exemption from the assessment imposed pursuant to section 4 of this act shall:

(a) Provide child protective services for the children in that county and pay the cost of those services.
(b) Provide the services in accordance with the standards adopted pursuant to NRS 432B.180.4 432B.190.

3. A county whose population is less than 100,000 that carries out child protective services for the county shall be deemed to be the agency which provides child welfare services for the purposes of any provisions of this chapter relating to child protective services and any regulations adopted pursuant thereto.

Sec. 8. NRS 432B.490 is hereby amended to read as follows:

432B.490 1. An agency which provides child welfare services:

(a) In cases where the death of a parent of the child is or may be the result of an act by the other parent that constitutes domestic violence pursuant to NRS 33.018, shall within 10 days after the hearing on protective custody initiate a proceeding in court by filing a petition which meets the requirements set forth in NRS 432B.510;

(b) In other cases where a hearing on protective custody is held, shall within 10 days after the hearing on protective custody, unless good cause exists, initiate a proceeding in court by filing a petition which meets the requirements set forth in NRS 432B.510 or recommend against any further action in court; or

(c) If a child is not placed in protective custody, may, after an investigation is made under NRS 432B.010 to 432B.400, inclusive, and sections 2, 3 and 4 of this act, file a petition which meets the requirements set forth in NRS 432B.510.

2. If the agency recommends against further action, the court may, on its own motion, initiate proceedings when it finds that it is in the best interests of the child.

3. If a child has been placed in protective custody and if further action in court is taken, an agency which provides child welfare services shall make recommendations to the court concerning whether the child should be returned to the person responsible for the welfare of the child pending further action in court.

Sec. 9. The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.

Sec. 10. This act becomes effective on July 1, 2011.

Senator Leslie moved the adoption of the amendment.

Remarks by Senator Leslie.

Senator Leslie requested that her remarks be entered in the Journal.

Senate Bill No. 480, as amended, requires the Division of Child and Family Services to assess counties whose populations are less than 100,000, currently all counties except Clark County and Washoe County, for the cost of child protective services. The bill requires the Division to submit reports on a prescribed schedule to the Governor, the affected counties, and the Legislative Commission with information on the number of children receiving child protective services and the costs of those services. Clark County and Washoe County already pay for those services.
Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 359.
Bill read second time.
The following amendment was proposed by the Committee on Commerce, Labor and Energy:

Amendment No. 875.
"SUMMARY—Revises provisions governing energy. (BDR 58-1064)"
"AN ACT relating to energy; revising the categories of uses, capacity goals and prospective expiration of the Waterpower Energy Systems Demonstration Program; revising provisions governing net metering for waterpower energy systems; covering the cumulative capacity requirement for net metering systems; revising provisions governing net metering for certain wind energy systems; and providing other matters properly relating thereto."

Legislative Counsel's Digest:
The Waterpower Energy Systems Demonstration Program was established for agricultural uses with a goal of the installation of not less than 500 kilowatts of waterpower energy systems in this State by 2012. (NRS 701B.820, 701B.840) The Waterpower Program is currently set to expire on June 30, 2011. Section 1 of this bill expands the Waterpower Program to encompass Indian tribes and tribal organizations that are customers of a utility. Section 2 of this bill increases the capacity goals for the Waterpower Program, and limits the amount of any rebate provided pursuant to the Waterpower Program, and sections 9-11 of this bill extend the Waterpower Program until June 30, 2016. Section 6 of this bill authorizes a person who installs a waterpower energy system to participate in net metering if the waterpower energy system is located on property owned by the customer-generator and generates electricity primarily intended to offset the customer-generator's requirements for electricity on that property or contiguous property owned by the customer-generator. Section 6 also authorizes certain persons who install certain wind energy systems on property owned or leased by an institution of higher education in this State to participate in net metering. Section 3.7 of this bill provides that persons who own or operate such wind energy systems are not considered public utilities.

Each electric utility in this State is required to offer net metering to customer generators of the utility until the cumulative capacity of net metering systems in the service area of the utility is equal to 1 percent of the utility's peak capacity. (NRS 704.773) Section 7 of this bill requires a utility to offer net metering until the cumulative capacity of net metering systems is equal to 1 percent of the total peak capacity of all utilities in this State and further authorizes the Public Utilities Commission of Nevada to increase the
THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 701B.820 is hereby amended to read as follows:
701B.820 1. The Waterpower Energy Systems Demonstration Program
is hereby created.
2. The Waterpower Demonstration Program is created for (agricultural
uses):
   (a) Agricultural uses; and
   (b) Indian tribes and tribal organizations that are customers of a utility.
3. To be eligible to participate in the Waterpower Demonstration
Program, a person must meet the qualifications established pursuant to
subsection 4, apply to a utility and be selected by the utility for inclusion in
the Waterpower Demonstration Program.
4. The Commission shall adopt regulations providing for the
qualifications an applicant must meet to qualify to participate in the
Waterpower Demonstration Program.

Sec. 2. NRS 701B.840 is hereby amended to read as follows:
701B.840 The Commission shall adopt regulations that establish:
1. The capacity goals for the Program, which must be designed to meet
the goal of the Legislature of the installation of not less than [500 kilowatts
of waterpower energy systems in this State by 2012] 5 megawatts of
waterpower energy systems in this State by 2016 and the goals for each
category of the Program. The regulations must provide that not less than
1 megawatt of capacity must be set aside for the installation of waterpower
energy systems with a nameplate capacity of 100 kilowatts or less.
2. A system of incentives that are based on rebates that decline as the
capacity goals for the Program and the goals for each category of the
Program are met. The rebates must be based on predicted energy savings.
(The regulations must provide that the amount of any rebate provided
pursuant to the Program must not exceed 50 percent of the total cost of the
installation of the waterpower energy system for which the rebate is
provided.)
3. The procedure for claiming incentives, including, without limitation,
the form and content of the incentive claim form.

Sec. 3. (Deleted by amendment.)

Sec. 3.5. Chapter 704 of NRS is hereby amended by adding thereto a
new section to read as follows:
"Contiguous" means either abutting directly on the boundary or
separated by a street, alley, public right-of-way, creek, river or the
right-of-way of a railroad or other public service corporation.

Sec. 3.7. NRS 704.021 is hereby amended to read as follows:
704.021 "Public utility" or "utility" does not include:
1. Persons engaged in the production and sale of natural gas, other than sales to the public, or engaged in the transmission of natural gas other than as a common carrier transmission or distribution line or system.

2. Persons engaged in the business of furnishing, for compensation, water or services for the disposal of sewage, or both, to persons within this State if:
   (a) They serve 25 persons or less; and
   (b) Their gross sales for water or services for the disposal of sewage, or both, amounted to $25,000 or less during the immediately preceding 12 months.

3. Persons not otherwise engaged in the business of furnishing, producing or selling water or services for the disposal of sewage, or both, but who sell or furnish water or services for the disposal of sewage, or both, as an accommodation in an area where water or services for the disposal of sewage, or both, are not available from a public utility, cooperative corporations and associations or political subdivisions engaged in the business of furnishing water or services for the disposal of sewage, or both, for compensation, to persons within the political subdivision.

4. Persons who are engaged in the production and sale of energy, including electricity, to public utilities, cities, counties or other entities which are reselling the energy to the public.

5. Persons who are subject to the provisions of NRS 590.465 to 590.645, inclusive.

6. Persons who are engaged in the sale or use of special fuel as defined in NRS 366.060.

7. Persons who provide water from water storage, transmission and treatment facilities if those facilities are for the storage, transmission or treatment of water from mining operations.

8. Persons who are video service providers, as defined in NRS 711.151, except for those operations of the video service provider which consist of providing a telecommunication service to the public, in which case the video service provider is a public utility only with regard to those operations of the video service provider which consist of providing a telecommunication service to the public.

9. **Persons who own or operate a net metering system described in paragraph (c) of subsection 1 of NRS 704.771.**

10. Persons who for compensation own or operate individual systems which use renewable energy to generate electricity and sell the electricity generated from those systems to not more than one customer of the public utility per individual system if each individual system is:
   (a) Located on the premises of another person;
   (b) Used to produce not more than 150 percent of that other person's requirements for electricity on an annual basis for the premises on which the individual system is located; and
(c) Not part of a larger system that aggregates electricity generated from renewable energy for resale or use on premises other than the premises on which the individual system is located.

As used in this subsection, "renewable energy" has the meaning ascribed to it in NRS 704.7811.

Sec. 4. NRS 704.766 is hereby amended to read as follows:

704.766 It is hereby declared to be the purpose and policy of the Legislature in enacting NRS 704.766 to 704.775, inclusive, and section 3.5 of this act to:

1. Encourage private investment in renewable energy resources;
2. Stimulate the economic growth of this State;
3. Enhance the continued diversification of the energy resources used in this State; and
4. Streamline the process for customers of a utility to apply for and install net metering systems.

Sec. 5. NRS 704.767 is hereby amended to read as follows:

704.767 As used in NRS 704.766 to 704.775, inclusive, and section 3.5 of this act, unless the context otherwise requires, the words and terms defined in NRS 704.768 to 704.772, inclusive, and section 3.5 of this act have the meanings ascribed to them in those sections.

Sec. 6. NRS 704.771 is hereby amended to read as follows:

704.771 1. "Net metering system" means [a]:

(a) A facility or energy system for the generation of electricity that:
1. Uses renewable energy as its primary source of energy to generate electricity;
2. Has a generating capacity of not more than 1 megawatt;
3. Is located on the customer-generator's premises;
4. Operates in parallel with the utility's transmission and distribution facilities; and
5. Is intended primarily to offset part or all of the customer-generator's requirements for electricity.

(b) A facility or energy system for the generation of electricity that:
1. Uses waterpower as its primary source of energy to generate electricity;
2. Is located on property owned by the customer-generator;
3. Has a generating capacity of not more than 1 megawatt;
4. Generates electricity that is delivered to the transmission and distribution facilities of the utility; and
5. Is intended primarily to offset all or part of the customer-generator's requirements for electricity on that property or contiguous property owned by the customer-generator.

(c) A facility or energy system for the generation of electricity:
1. Which uses wind power as its primary source of energy to generate electricity:
(2) Which is located on property owned or leased by an institution of higher education in this State;
(3) Which has a generating capacity of not more than 1 megawatt;
(4) Which operates in parallel with the utility's transmission and distribution facilities;
(5) Which is intended primarily to offset all or part of the customer-generator's requirements for electricity on that property or on contiguous property owned or leased by the customer-generator;
(6) Which is used for research and workforce training; and
(7) The construction or installation of which is commenced on or before December 31, 2011, and is completed on or before December 31, 2012.

2. The term does not include a facility or energy system for the generation of electricity which has a generating capacity that exceeds the greater of:
   (a) The limit on the demand that the class of customer of the customer-generator may place on the system of the utility; or
   (b) One hundred fifty percent of the customer-generator's annual requirements for electricity.

Sec. 7. NRS 704.773 is hereby amended to read as follows:
704.773  1. A utility shall offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area until the cumulative capacity of all such net metering systems is equal to 1 percent of the utility's [total] peak capacity [for all utilities in this State]. If at any time, the Commission determines that the cumulative capacity of all such net metering systems is 0.8 percent or more of the total peak capacity of all utilities in this State, the Commission may issue an order requiring a utility to offer net metering, as set forth in NRS 704.775, to the customer-generators operating within its service area until the cumulative capacity of all such net metering systems is equal to 1.5 percent of the total peak capacity of all utilities in this State.

2. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of not more than 25 kilowatts, the utility:
   (a) Shall offer to make available to the customer-generator an energy meter that is capable of registering the flow of electricity in two directions.
   (b) May, at its own expense and with the written consent of the customer-generator, install one or more additional meters to monitor the flow of electricity in each direction.
   (c) Shall not charge a customer-generator any fee or charge that would increase the customer-generator's minimum monthly charge to an amount greater than that of other customers of the utility in the same rate class as the customer-generator.
3. If the net metering system of a customer-generator who accepts the offer of a utility for net metering has a capacity of more than 100 kilowatts, the utility:
   (a) May require the customer-generator to install at its own cost:
      (1) An energy meter that is capable of measuring generation output and customer load; and
      (2) Any upgrades to the system of the utility that are required to make the net metering system compatible with the system of the utility.
   (b) Except as otherwise provided in paragraph (c), may charge the customer-generator any applicable fee or charge charged to other customers of the utility in the same rate class as the customer-generator, including, without limitation, customer, demand and facility charges.
   (c) Shall not charge the customer-generator any standby charge.

  ➤ At the time of installation or upgrade of any portion of a net metering system, the utility must allow a customer-generator governed by this subsection to pay the entire cost of the installation or upgrade of the portion of the net metering system.

4. If the net metering system of a customer-generator is a net metering system described in paragraph (b) or (c) of subsection 1 of NRS 704.771 and:
   (a) The system is intended primarily to offset part or all of the customer-generator’s requirements for electricity on property contiguous to the property on which the net metering system is located; and
   (b) The customer-generator sells or transfers his or her interest in the contiguous property,
   ➤ the net metering system ceases to be eligible to participate in net metering.

5. The Commission shall adopt regulations prescribing the form and substance for a net metering tariff and a standard net metering contract. The regulations must include, without limitation:
   (a) The particular provisions, limitations and responsibilities of a customer-generator which must be included in a net metering tariff with regard to:
      (1) Metering equipment;
      (2) Net energy metering and billing; and
      (3) Interconnection,
      ➤ based on the allowable size of the net metering system.
   (b) The particular provisions, limitations and responsibilities of a customer-generator and the utility which must be included in a standard net metering contract.
   (c) A timeline for processing applications and contracts for net metering applicants.
   (d) Any other provisions the Commission finds necessary to carry out the provisions of NRS 704.766 to 704.775, inclusive, and section 3.5 of this act.
Sec. 8. (Deleted by amendment.)
Sec. 8.5. NRS 704.7815 is hereby amended to read as follows:

704.7815 "Renewable energy system" means:
1. A facility or energy system that uses renewable energy or energy from a qualified energy recovery process to generate electricity and:
   (a) Uses the electricity that it generates from renewable energy or energy from a qualified energy recovery process in this State; or
   (b) Transmits or distributes the electricity that it generates from renewable energy or energy from a qualified energy recovery process to a provider of electric service for delivery into and use in this State.
2. A solar energy system that reduces the consumption of electricity or any fossil fuel.
3. A net metering system used by a customer-generator pursuant to NRS 704.766 to 704.775, inclusive and section 3.5 of this act.

Sec. 9. Section 113 of chapter 509, Statutes of Nevada 2007, at page 2999, is hereby amended to read as follows:

Sec. 113. 1. This act becomes effective:
(a) Upon passage and approval for the purposes of adopting regulations and taking such other actions as are necessary to carry out the provisions of this act; and
(b) For all other purposes besides those described in paragraph (a):
   (1) For this section and sections 1, 30, 32, 36 to 46, inclusive, 49, 51 to 61, inclusive, 107, 109, 110 and 111 of this act, upon passage and approval.
   (2) For sections 1.5 to 29, inclusive, 43.5, 47, 51.3, 51.7, 108, 112 and 112.5 of this act, on July 1, 2007.
   (3) For sections 62 to 106, inclusive, of this act, on October 1, 2007.
   (4) For sections 31, 32.3, 32.5, 32.7, 33, 34 and 35 of this act, on January 1, 2009.
   (5) For section 48 of this act, on January 1, 2010.
   (6) For section 50 of this act, on January 1, 2011.
2. Sections 62 to 106, inclusive, of this act expire by limitation on June 30, 2011.
3. Sections 87 to 105, inclusive, of this act expire by limitation on June 30, 2016.

Sec. 10. Section 13 of chapter 246, Statutes of Nevada 2009, at page 1002, is hereby amended to read as follows:

Sec. 13. 1. This act becomes effective on July 1, 2009.
2. Sections 2 and 3 of this act expire by limitation on June 30, 2011.
3. Section 3 of this act expires by limitation on June 30, 2016.

Sec. 11. Section 21 of chapter 321, Statutes of Nevada 2009, at page 1410, is hereby amended to read as follows:
Sec. 21. 1. This section and sections 1 to 1.51, inclusive, 1.55 to 19.7, inclusive, and 19.9 to 20.9, inclusive, of this act become effective upon passage and approval.

2. Sections 1.51, 1.85, 1.87, 1.92, 1.93, 1.95, and 4.3 to 7, inclusive, of this act expire by limitation on June 30, 2011.

3. Sections 1.51 and 19.8 Section 1.53 of this act becomes effective on July 1, 2011.

4. Sections 1.95 and 7.1 to 9, inclusive, of this act expire by limitation on June 30, 2016.

5. Section 19.8 of this act becomes effective on July 1, 2016.

Sec. 12. 1. This section and sections 9, 10 and 11 of this act become effective upon passage and approval.

2. Sections 1 to 8.5, inclusive, of this act become effective on July 1, 2011.

3. Sections 1 and 2 of this act expire by limitation on June 30, 2016.

Senator Schneider moved the adoption of the amendment.

Remarks by Senator Schneider.

Bill ordered reprinted, re-engrossed and to third reading.

Thank you, Mr. President. This amendment is about demonstration projects regarding wind energy systems and water systems. We amended this to make certain that both are compatible and both can be used in the law because there was a conflict on the net metering of the systems. This was an agreed upon amendment. The Assemblymen who proposed this amendment were happy with it.

Amendment adopted.

Assembly Bill No. 432.

Bill read second time and ordered to third reading.

Assembly Bill No. 524.

Bill read second time.

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

Amendment No. 803.

"SUMMARY—Increases certain fees for residential and general appraisers to cover an increase in federal registry fees; Revises provisions relating to appraisers of real estate. (BDR 54-1199)"

"AN ACT relating to appraisers of real estate; revising provisions governing continuing education requirements for certified and licensed appraisers and registered interns; requiring the Commission of Appraisers of Real Estate to establish certain requirements concerning continuing education; requiring the Commission to establish certain fees relating to continuing education; requiring the Real Estate Division of the Department of Business and Industry to conduct certain investigations and examinations of each certified or licensed appraiser; requiring an appraiser who is investigated or examined by the Division..."
to pay certain costs relating to the investigation or examination; authorizing the Division to contract for or procure the services of certain persons to assist in or carry out investigations and examinations of appraisers; revising certain fees for the issuance or renewal of a license or certificate; making an appropriation; and providing other matters properly relating thereto."

Legislative Counsel’s Digest:
Existing law requires an appraiser to complete certain continuing education as a condition for the renewal or reinstatement of a certificate or license and further requires the Commission of Appraisers of Real Estate to adopt regulations governing the continuing education requirements for appraisers. (NRS 645C.430, 645C.440) Section 2 of this bill requires appraisers and interns to complete a course of continuing education which must include education in ethics and issues relating to the appraisal of real property with an emphasis on trends and market conditions in Nevada and any changes in law which affect the appraisal of real property. Section 2 requires the Commission to establish a reasonable fee for the cost of the course. Section 2 additionally requires the Real Estate Division of the Department of Business and Industry to develop the curriculum for the course and submit the curriculum to the Commission for approval. Section 3 of this bill creates the Account for Real Estate Appraisal Audit and Education in the State General Fund and provides that the fees collected by the Division for the cost of the course of continuing education required by section 2 must be deposited in the Account and used to defray the costs of the Commission and the Division in carrying out the provisions of section 2.

Section 4 of this bill requires the Division to conduct an examination and investigation of each certified or licensed appraiser not less frequently than every 4 years. Section 4 authorizes the Division to contract for and procure the services of examiners and other specialized technical or professional assistance as may reasonably be required to carry out such examinations and investigations. Section 5 of this bill requires an appraiser who is subject to such examination or investigation to pay certain costs relating to the examination or investigation. Section 6 of this bill requires that all money collected pursuant to section 5 be used to pay the expenses relating to the examination or investigation of an appraiser or for any other purpose authorized by the Legislature.

Section 7.7 of this bill requires the Real Estate Administrator to employ an administrative assistant and an investigator to carry out the provisions of this bill and makes an appropriation from the State General Fund to the Real Estate Administration Account in Fiscal Year 2011-2012 and Fiscal Year 2012-2013 to pay the salaries and related expenses of these two new positions.
Under existing law, a fee of $290 is charged for the issuance or biennial renewal of a license or certificate as a residential appraiser, and a fee of $390 is charged for the issuance or biennial renewal of a certificate as a general appraiser. (NRS 645C.450) A portion of that fee, currently $50, is retained by the Real Estate Division of the Department of Business and Industry for payment of the registry fee to the Federal Financial Institutions Examination Council. (NRS 645C.240) On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) was signed into law. (Pub. L. No. 111-203, 124 Stat. 1376) The Dodd-Frank Act revised 12 U.S.C. § 3338 to increase the annual registry fee from $25 to $40. 

This bill increases the biennial fees charged for the issuance or renewal of a license or certificate as a residential appraiser and for the issuance or renewal of a certificate as a general appraiser by $30 to cover the annual $15 increase in the federal registry fee.

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

Section 1. Chapter 645C of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. 1. As a condition of the renewal or reinstatement of a certificate, license or registration issued pursuant to this chapter, and as a component of the continuing education required pursuant to NRS 645C.430 and 645C.440, each certified appraiser, licensed appraiser and registered intern in this State shall complete a course of continuing education which meets the requirements established by the Commission pursuant to paragraph (a) of subsection 2 and pay to the Division the fee established by the Commission pursuant to paragraph (b) of subsection 2.

2. The Commission shall by regulation establish:

(a) The requirements for a course of continuing education which must include, without limitation, education in ethics and issues relating to the appraisal of real property with an emphasis on trends and market conditions in this State and any changes in the law in this State which affect the appraisal of real property; and

(b) A reasonable fee for the cost of the course of continuing education required by this section.

3. The Division shall develop the curriculum for the course of continuing education required by this section in accordance with the requirements established by the Commission pursuant to subsection 2 and submit the curriculum to the Commission for approval.

Sec. 3. 1. The Account for Real Estate Appraisal Audit and Education is hereby created in the State General Fund. The Administrator shall administer the Account.

2. All money paid to the Division pursuant to section 2 of this act must be deposited in the Account. All interest and income earned on money in the Account must be credited to the Account. The money in the Account does not revert to the State General Fund at the end of any fiscal year.
3. All claims against the Account must be paid as other claims against the State are paid.

4. The money in the Account must be used to defray the costs and expenses incurred by the Commission and the Division in carrying out the provisions of section 2 of this act and may be used to defray any other costs incurred by the Division in enforcing the provisions of this chapter.

Sec. 4. 1. In addition to any other examinations and investigations expressly authorized, the Division shall, not less frequently than every 4 years, conduct an examination and investigation of each certified or licensed appraiser to determine whether any such appraiser has violated the Uniform Standards of Appraisal Practice of the Appraisal Institute or its successor or any provision of this chapter or to secure information useful in the lawful enforcement or administration of any such uniform standard or provision of law. Such examinations and investigations must include, without limitation:

(a) An examination of the appraisals, work files and records of each certified or licensed appraiser; and

(b) If an appraiser is not a resident of this State, submission to the Division by the appraiser of a log of appraisals performed by the appraiser from which the Division may select appraisals to be submitted to the Division for review.

2. The Division may contract for and procure the services of examiners and other specialized technical or professional assistance, as independent contractors or for a fee, as may reasonably be required to carry out the provisions of this section. None of the persons providing those services or assistance pursuant to a contract or for a fee may be in the classified service of the State.

3. The Division may adopt regulations to carry out the provisions of this section.

Sec. 5. The expenses of the examination or investigation of an appraiser pursuant to section 4 of this act must be borne by the person examined or investigated. Such expenses include only the reasonable and proper expenses of the Administrator, the employees of the Division and the examiners and assistants of the Division, including expert assistance and reasonable compensation as to such examiners and assistants incurred in the examination or investigation. The person examined or investigated shall promptly pay to the Division the expenses of the examination or investigation upon presentation by the Division of a reasonably detailed written statement thereof.

Sec. 6. All money received by the Division pursuant to section 5 of this act and all interest and income earned on such money must be deposited with the State Treasurer for credit to the State General Fund and:

1. Must be used to pay the compensation and other necessary and authorized expenses incurred by an employee, examiner, assistant or other representative of the Division in the examination or investigation of any
person required to pay, and making payment of, the expenses of the 
examination or investigation pursuant to section 5 of this act; and

2. May be expended for any other purpose authorized by the 
Legislature.

Sec. 7. NRS 645C.450 is hereby amended to read as follows:

645C.450 1. The following fees may be charged and collected by the 
Division:

Application for a certificate, license or registration card..............$100
Issuance or renewal of a certificate or license as a residential 
appraiser....................................................................................120
Issuance or renewal of a certificate as a general appraiser...........140
Issuance of a permit ........................................................................115
Issuance or renewal of a registration card.................................190
Issuance of a duplicate certificate or license for an 
additional office ........................................................................50
Change in the name or location of a business .........................20
Reinstatement of an inactive certificate or license.....................30
Annual approval of a course of instruction offered in 
preparation for an initial certificate or license .........................100
Original approval of a course of instruction offered for 
continuing education ...............................................................100
Renewal of approval of a course of instruction offered for 
continuing education ...............................................................50

2. The Division shall adopt regulations which establish the fees to be 
charged and collected by the Division to pay the costs of:

(a) Any examination for a certificate or license, including any costs which 
are necessary for the administration of such an examination.

(b) Any investigation of a person's background.

Sec. 7.5. The Real Estate Division of the Department of Business and 
Industry and the Commission of Appraisers of Real Estate shall adopt 
the regulations required by this act on or before December 31, 2011.

Sec. 7.7. 1. To carry out the provisions of sections 2 to 6, inclusive, 
of this act, the Real Estate Administrator shall employ an investigator 
and an administrative assistant who are in the classified service of the 
State.

2. There is hereby appropriated from the State General Fund to the 
Real Estate Administration Account:

(a) For the 2011-2012 Fiscal Year the sum of $80,880.

(b) For the 2012-2013 Fiscal Year the sum of $105,787.

3. The money appropriated by subsection 2 must be expended to pay 
the salaries and related expenses of the positions authorized by 
subsection 1.

4. Any remaining balance of the appropriation made by 
paragraph (a) of subsection 2 must be transferred and added to the
money appropriated by paragraph (b) of subsection 2 and may be expended as that money is expended.

5. Any remaining balance of the appropriation made by subsection 2 must not be committed for expenditure after June 30, 2013, and must be reverted to the State General Fund on or before September 20, 2013.

[Sec. 2] Sec. 8. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 7.5, inclusive, of this act become effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, for all other purposes.

3. Except as otherwise provided in subsection 4, section 7.7 of this act becomes effective on July 1, 2011.

4. Paragraph (b) of subsection 2 of section 7.7 of this act becomes effective on July 1, 2012.

Senator Schneider moved the adoption of the amendment.
Remarks by Senator Schneider.
Senator Schneider requested that his remarks be entered in the Journal.
Thank you, Mr. President. This bill brings us into compliance with the federal guidelines. We have added continuing education for appraisers. We have made a statement to upgrade the appraisers in this State. The Administrator for the Real Estate Division and the Appraisal Commission are in favor of what we are doing with this bill.

Amendment adopted.
Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 525.
Bill read second time.
The following amendment was proposed by the Committee on Natural Resources:
Amendment No. 878.
"SUMMARY—Requires the establishment of the Wildlife Trust Fund. (BDR 45-1213)"
"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, the Interim Finance Committee, and the Board of Wildlife Commissioners; 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 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 the Interim Finance Committee and the Board of Wildlife Commissioners.

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 and the Commission 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 chapter 333 of NRS 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, 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.

Senator Manendo moved the adoption of the amendment.
Remarks by Senator Manendo.
Senator Manendo requested that his remarks be entered in the Journal.
Thank you, Mr. President. This amendment adds the Board of Wildlife Commissioners as a recipient of the report that the Director of the Department of Wildlife must prepare concerning the investment and expenditures money in the Wildlife Trust Fund.

Amendment adopted.
Bill ordered reprinted, re-engrossed and to third reading.

UNFINISHED BUSINESS
CONSIDERATION OF ASSEMBLY AMENDMENTS

Senate Bill No. 304.
The following Assembly amendment was read:
Amendment No. 804.

"SUMMARY—Provides for redistricting of election districts in Carson City and the Cities of Henderson, Reno and Sparks, contingent upon voter
Revises provisions governing elections and officers in certain cities. (BDR S-731)"

"AN ACT relating to redistricting; cities; creating, contingent upon voter approval, a sixth ward for the City of Reno; requiring, contingent upon voter approval, that the candidates for Supervisor in Carson City and for Council Member in the City of Henderson, the City of Reno and the City of Sparks be voted upon in a primary or general election only by the registered voters of the ward that a candidate seeks to represent; revising the requirements for serving as the City Attorney for the City of Sparks; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

The existing Charter of the City of Reno divides the City into five wards, each of which is represented on the City Council by a Council Member. A sixth Council Member represents the City at large. (Reno City Charter §§ 1.050, 2.010) Section 7 of this bill increases the number of wards in Reno to six, and sections 8-10 of this bill replace the office of Council Member at large with the office of Council Member to represent the newly created sixth ward.

The existing Charters of the Cities of Reno and Sparks provide that the candidates for Council Member to represent a particular ward must be voted on in a primary election only by the registered voters of that ward but in a general election, must be elected by the registered voters of the City at large. (Reno City Charter §§ 5.010, 5.020; Sparks City Charter §§ 5.010, 5.020) Sections 9 and 10 of this bill amend the Charter of the City of Reno, and sections 11 and 12 of this bill amend the Charter of the City of Sparks, to provide that all candidates for Council Member must be elected in a general election by only the registered voters of the ward that a candidate seeks to represent. The existing Charters of Carson City and the City of Henderson provide that the candidates for Supervisor and Council Member, respectively, must be elected by the registered voters of the City at large in both a primary and a general election. (Carson City Charter §§ 2.010, 5.010, 5.020; Henderson City Charter §§ 2.010, 5.010, 5.020) Sections 1-3 of this bill amend the Charter of Carson City, and sections 4-6 of this bill amend the Charter of the City of Henderson, to provide that all candidates for Supervisor and Council Member, respectively, must be elected in a primary or general election only by the registered voters of the ward that a candidate seeks to represent.

Sections 15-18 of this bill require Carson City and the Cities of Henderson, Reno and Sparks to place on the ballot for the 2012 general election the question of whether to amend their respective charters to provide that all candidates for Supervisor or Council Member, as appropriate, must be elected in a primary or general election by only the registered voters of the ward that a candidate seeks to represent.

The existing Charter of the City of Sparks provides that all elective officers, including the City Attorney, must be: (1) residents of the City.
for at least 30 days before the end of the period for filing for office and for the duration of their term of office; and (2) registered voters within the City. (Sparks City Charter § 1.060) Section 10.5 of this bill revises these requirements for the City Attorney, requiring instead that the City Attorney be a resident of and registered to vote in Washoe County, rather than the City of Sparks.

Section 19 of this bill provides that the sections of this bill relating to Carson City and the Cities of Henderson and Sparks become effective only if the voters of that City approve the ballot question required by this bill. Section 19 also provides that the sections of this bill relating to the City of Reno and the City Attorney for the City of Sparks become effective on July 1, 2011. Finally, section 19 provides that the sections of this bill relating to the City of Reno expire on June 30, 2015, if the voters of that City do not approve the ballot question required by this bill.

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

Section 1. Section 2.010 of the Charter of Carson City, being chapter 213, Statutes of Nevada 1969, as last amended by chapter 118, Statutes of Nevada 1985, at page 474, is hereby amended to read as follows:

Sec. 2.010  Board of Supervisors: Qualifications; election; term of office.

1. The legislative power of Carson City is vested in a Board of Supervisors consisting of five Supervisors, including the Mayor.

2. The Mayor must be:

   (a) An actual and bona fide resident of Carson City for at least 6 months immediately preceding his election.

   (b) A qualified elector within Carson City.

3. Each Supervisor must be:

   (a) An actual and bona fide resident of Carson City for at least 6 months immediately preceding his election.

   (b) A qualified elector within the ward which he represents.

   (c) A resident of the ward which he represents, except that changes effected in the boundaries of a ward pursuant to the provisions of section 1.060 do not affect the right of any elected Supervisor to continue in office for the term for which he was elected.

4. All Supervisors, including the Mayor, must be voted upon by the registered voters of Carson City at large and shall serve for terms of 4 years.

Sec. 2. Section 5.010 of the Charter of Carson City, being chapter 213, Statutes of Nevada 1969, as last amended by chapter 100, Statutes of Nevada 1999, at page 271, is hereby amended to read as follows:

Sec. 5.010  Primary election.

1. A primary election must be held on the date fixed by the election laws of this state for statewide elections, at which time there
must be nominated candidates for offices to be voted for at the next
general election.

2. A candidate for any office to be voted for at any primary
election must file a declaration of candidacy as provided by the
election laws of this state.

3. In an election that is held pursuant to this section:
   (a) All candidates for the office of Mayor, [and Supervisor], and
candidates for the office of Municipal Judge if a third department of
the Municipal Court has been established, must be voted upon by the
registered voters of Carson City at large.

   (b) A candidate for the office of Supervisor must be elected only
by the registered voters of the ward that the candidate seeks to
represent.

4. If only two persons file for a particular office, their names must
not appear on the primary ballot but their names must be placed on the
ballot for the general election.

5. If in the primary election one candidate receives more than a
majority of votes cast in that election for the office for which he is a
candidate, his name alone must be placed on the ballot for the general
election. If in the primary election no candidate receives a majority of
votes cast in that election for the office for which he is a candidate, the
names of the two candidates receiving the highest numbers of votes
must be placed on the ballot for the general election.

Sec. 3. Section 5.020 of the Charter of Carson City, being chapter 213,
Statutes of Nevada 1969, as last amended by chapter 96, Statutes of Nevada
1997, at page 183, is hereby amended to read as follows:

    Sec. 5.020  General election.

    1. A general election must be held in Carson City on the first
Tuesday after the first Monday in November 1970, and on the same
day every 2 years thereafter, at which time there must be elected such
officers, the offices of which are required next to be filled by election.

    2. In an election that is held pursuant to this section:

       (a) All candidates for the office of Mayor, [and Supervisor], and
all candidates for the office of Municipal Judge if a third department of
the Municipal Court has been established, must be voted upon by the
registered voters of Carson City at large.

       (b) A candidate for the office of Supervisor must be voted upon
only by the registered voters of the ward that the candidate seeks to
represent.

Sec. 4. 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 Councilmen 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 Councilman 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 represents.
   (c) A resident of the ward which he 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 Councilman to continue in office for the term for which he was elected.

4. All Councilmen, including the Mayor, must be voted upon by the registered voters of the City at large and shall serve for terms of 4 years.

5. The Mayor and Councilmen 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 Councilmen during the term for which they have been elected or appointed.

Sec. 5. 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 election.

1. A primary election shall 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. In an election that is held pursuant to this section:
   (a) All candidates for the offices of Mayor and Municipal Judge must be voted upon by the registered voters of the City at large.
   (b) A candidate for the office of City Council Member must be elected only by the registered voters of the ward that the candidate seeks to represent.
4. If in the primary election no candidate receives a majority of votes cast in that election for the office for which he is a candidate, the names of the two candidates receiving the highest number of votes must be placed on the ballot for the general election. If in the primary 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 is a candidate, he must be declared elected and no general election need be held for that office.

Sec. 6. 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. A general 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. In an election that is held pursuant to this section:
   (a) All candidates for the office of Mayor, Councilman, and Municipal Judge must be voted upon by the registered voters of the City at large.
   (b) A candidate for the office of City Council Member must be voted upon only by the registered voters of the ward that the candidate seeks to represent.

3. 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.

4. 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 successor has been elected and qualified.

5. 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 successor has been elected and qualified.

6. 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 successor has been elected and qualified.
Sec. 7. Section 1.050 of the Charter of the City of Reno, being chapter 662, Statutes of Nevada 1971, as last amended by chapter 327, Statutes of Nevada 1999, at page 1365, is hereby amended to read as follows:

Sec. 1.050 Wards: Creation; boundaries.

1. The City must be divided into six wards, which must be as nearly equal in population as can be conveniently provided. The territory comprising each ward must be contiguous, except that if any territory of the City which is not contiguous to the remainder of the City does not contain sufficient population to constitute a separate ward, it may be placed in any ward of the City.

2. The boundaries of the wards must be established and changed by ordinance, passed by a vote of at least five-sevenths of the City Council. The boundaries of the wards:
   (a) Must be changed whenever the population, as determined by the last preceding national census of the Bureau of the Census of the United States Department of Commerce, in any ward exceeds the population in any other ward by more than 5 percent.
   (b) May be changed to include territory that has been annexed, or whenever the population in any ward exceeds the population in another ward by more than 5 percent by any measure that is found to be reliable by the City Council.

Sec. 8. Section 2.010 of the Charter of the City of Reno, being chapter 662, Statutes of Nevada 1971, as last amended by chapter 327, Statutes of Nevada 1999, at page 1366, is hereby amended to read as follows:

Sec. 2.010 Mayor and City Council: Qualifications; election; term of office; salary.

1. The legislative power of the City is vested in a City Council consisting of six Councilmen and a Mayor.

2. The Mayor and Councilmen must be qualified electors within the City. Each Councilman must be a resident of the ward from which he or she is elected and must continue to live in that ward for as long as he represents the ward.

3. The Mayor represents the City at large and one Councilman represents each ward. The Mayor and Councilmen serve for terms of 4 years.

4. The Mayor and Councilmen are entitled to receive a salary in an amount fixed by the City Council.

Sec. 9. Section 5.010 of the Charter of the City of Reno, being chapter 662, Statutes of Nevada 1971, as last amended by chapter 87, Statutes of Nevada 2001, at page 557, is hereby amended to read as follows:

Sec. 5.010 General elections.

1. On the Tuesday after the first Monday in November 1998, and at each successive interval of 4 years, there must be elected by the qualified voters of the City, at the general election, a Mayor, Councilmen from the second and fourth wards, a Municipal Judge and
a City Attorney, all of whom hold office for a term of 4 years and until their successors have been elected and qualified pursuant to subsection 3 or 4.

2. On the Tuesday after the first Monday in November 2000, and at each successive interval of 4 years, there must be elected by the qualified voters of the City, at the general election, Councilmen from the first, third and fifth wards, one Councilman at large and two Municipal Judges, all of whom hold office for a term of 4 years and until their successors have been elected and qualified pursuant to subsection 3 or 4.

3. On the Tuesday after the first Monday in November 2002, and at each successive interval of 6 years, there must be elected, by the qualified voters of the City, at the general election, a Municipal Judge, who holds office for a term of 6 years and until his successor has been elected and qualified.

4. On the Tuesday after the first Monday in November 2002, and at each successive interval of 4 years, there must be elected, by the qualified voters of the City, at the general election, a Mayor, Councilmen from the second and fourth wards, and a City Attorney, all of whom hold office for a term of 4 years and until their successors have been elected and qualified.

5. On the Tuesday after the first Monday in November 2004, and at each successive interval of 6 years, there must be elected, by the qualified voters of the City, at the general election, three Municipal Judges, all of whom hold office for a term of 6 years and until their successors have been elected and qualified.

6. On the Tuesday after the first Monday in November 2004, and at each successive interval of 4 years, there must be elected, by the qualified voters of the City, at the general election, Councilmen from the first, third and fifth wards, and one Councilman at large, all of whom hold office for a term of 4 years and until their successors have been elected and qualified.

7. In an election held pursuant to this section:

(a) A candidate for the office of City Council Member must be elected only by the registered voters of the ward that the candidate seeks to represent.

(b) Candidates for Mayor, Municipal Judge and City Attorney must be elected by the registered voters of the city at large.
Sec. 10. Section 5.020 of the Charter of the City of Reno, being chapter 662, Statutes of Nevada 1971, as last amended by chapter 376, Statutes of Nevada 2005, at page 1438, is hereby amended to read as follows:

Sec. 5.020  Primary elections; declaration of candidacy.
  1. A candidate for any office to be voted for at an election must file a declaration of candidacy with the City Clerk. All filing fees collected by the City Clerk must be deposited to the credit of the General Fund of the City.
  2. If for any general election, there are three or more candidates for any office to be filled at that election, a primary election for any such office must be held on the date fixed by the election laws of this State for statewide elections, at which time there must be nominated candidates for the office to be voted for at the next general election. If for any general election there are two or fewer candidates for any office to be filled at that election, their names must not be placed on the ballot for the primary election but must be placed on the ballot for the general election.
  3. In the primary election:
      (a) The names of the two candidates for Municipal Judge, City Attorney or a particular City Council seat, as the case may be, who receive the highest number of votes must be placed on the ballot for the general election.
      (b) [Candidates] A candidate for the office of City Councilman who represent a specific ward must be voted upon only by the registered voters of that ward, the ward that the candidate seeks to represent.
      (c) Candidates for Mayor and Councilman at large, Municipal Judge and City Attorney must be voted upon by all the registered voters of the City.
  4. The Mayor and all Councilmen must be voted upon by all registered voters of the City at the general election.

Sec. 10.5. Section 1.060 of the Charter of the City of Sparks, being chapter 470, Statutes of Nevada 1975, as last amended by chapter 41, Statutes of Nevada 2001, at page 394, is hereby amended to read as follows:

Sec. 1.060  Elective officers: Qualifications; salaries.
  1. The elective officers of the City consist of:
      (a) A Mayor.
      (b) Five members of the Council.
      (c) A City Attorney.
      (d) Municipal Judges, the number to be determined pursuant to section 4.010.
  2. [All] Except as otherwise provided in subsection 4, all elective officers of the City must be:
(a) Bona fide residents of the City for at least 30 days immediately preceding the last day for filing a declaration of candidacy for such an office.

(b) Residents of the City during their term of office, and, in the case of a member of the Council, a resident of the ward the member represents.

(c) Registered voters within the City.

3. No person may be elected or appointed as a member of the Council who was not an actual bona fide resident of the ward to be represented by him for a period of at least 30 days immediately preceding the last day for filing a declaration of candidacy for the office, or, in the case of appointment, 30 days immediately preceding the day the office became vacant.

4. The City Attorney must be:
   (a) A bona fide resident of Washoe County for at least 30 days immediately preceding the last day for filing a declaration of candidacy for such an office.
   (b) A resident of Washoe County during his or her term of office.
   (c) Registered to vote within Washoe County.
   (d) A licensed member of the State Bar of Nevada.

5. Each elective officer is entitled to receive a salary in an amount fixed by the City Council. At any time before January 1 of the year in which a general election is held, the City Council shall enact an ordinance fixing the initial salary for each elective office for the term beginning on the first Monday following that election. This ordinance may not be amended to increase or decrease the salary for the office of Mayor, City Councilman or City Attorney during the term. If the City Council fails to enact such an ordinance before January 1 of the election year, the succeeding elective officers are entitled to receive the same salaries as their respective predecessors.

Sec. 11. Section 5.010 of the Charter of the City of Sparks, being chapter 470, Statutes of Nevada 1975, as last amended by chapter 52, Statutes of Nevada 2005, at page 104, is hereby amended to read as follows:

Sec. 5.010 General elections.

1. [On the Tuesday after the first Monday in June 2001, there must be elected by the registered voters of the City, at a general municipal election, Council members to represent the first, third and fifth wards, a Municipal Judge for Department 1 and a City Attorney, all of whom hold office until their successors have been elected and qualified, pursuant to subsection 3 or 4.

2. On the Tuesday after the first Monday in June 2003, there must be elected by the registered voters of the City, at a general municipal election, Council members to represent the second and fourth wards, a Mayor and a Municipal Judge for Department 2, all of whom hold
office until their successors have been elected and qualified, pursuant to subsection 5 or 6.

— 4. On the Tuesday after the first Monday in November 2004, and at each successive interval of 4 years, there must be elected, by the registered voters of the City, at the general election, Council members to represent the first, third and fifth wards and a City Attorney, all of whom hold office for a term of 4 years and until their successors have been elected and qualified.

5. On the Tuesday after the first Monday in November 2004, and at each successive interval of 4 years, there must be elected by the registered voters of the City, at the general election, a Municipal Judge for Department 1, who holds office for a term of 4 years and until his successor has been elected and qualified, pursuant to subsection 7.

— 6. On the Tuesday after the first Monday in November 2006, and at each successive interval of 4 years, there must be elected, by the registered voters of the City, at the general election, Council members to represent the second and fourth wards and a Mayor, all of whom hold office for a term of 4 years and until their successors have been elected and qualified.

7. On the Tuesday after the first Monday in November 2006, and at each successive interval of 6 years, there must be elected, by the registered voters of the City, at the general election, a Municipal Judge for Department 2, who holds office for a term of 6 years and until his successor has been elected and qualified.

8. On the Tuesday after the first Monday in November 2008, and at each successive interval of 6 years, there must be elected, by the registered voters of the City, at the general election, a Municipal Judge for Department 1, who holds office for a term of 6 years and until his successor has been elected and qualified.

9. All candidates at

Sec. 12. Section 5.020 of the Charter of the City of Sparks, being chapter 470, Statutes of Nevada 1975, as last amended by chapter 41, Statutes of Nevada 2001, at page 398, is hereby amended to read as follows:

Sec. 5.020  Primary elections.

1. At an election that is held pursuant to this section:

(a) Candidates for the offices of Mayor, City Attorney and Municipal Judge must be voted upon by the registered voters of the
City at large. A candidate for the office of City Council Member must be voted upon only by the registered voters of the ward to be represented by them, that the candidate seeks to represent.

2. The names of the two candidates for Mayor, City Attorney and Municipal Judge and the names of the two candidates to represent the ward as a member of the City Council from each ward who receive the highest number of votes at the primary election must be placed on the ballot for the general election.

Sec. 13. The City Council of the City of Reno shall, not later than October 1, 2011, establish the boundaries of the ward created by the amendatory provisions of section 7 of this act, which must be designated the sixth ward, and change the boundaries of the first through fifth wards to comply with the provisions of section 1.050 of the Charter of the City of Reno, as amended by section 7 of this act.

Sec. 13.5. The City Council of the City of Reno shall, not later than October 1, 2015, change the boundaries of the first through fifth wards to comply with the expiration by limitation of the provisions of section 1.050 of the Charter of the City of Reno, as amended by section 7 of this act.

Sec. 14. Notwithstanding the amendatory provisions of sections 8 and 9 of this act, a Council Member of the City of Reno who holds office on July 1, 2011, shall:

1. If elected or appointed to represent a ward, continue to represent that ward for the remainder of his or her term of office.
2. If elected or appointed to represent the City at large, be deemed to represent only the ward created by the amendatory provisions of section 7 of this act, upon the creation of that ward, for the remainder of his or her term of office.

Sec. 14.5. Notwithstanding the expiration by limitation of the amendatory provisions of sections 8 and 9 of this act, a Council Member of the City of Reno who holds office on July 1, 2015, shall:

1. If elected or appointed to represent the first through fifth ward, continue to represent that ward for the remainder of his or her term of office.
2. If elected or appointed to represent the sixth ward, be deemed to represent the City at large for the remainder of his or her term of office.

Sec. 15. The Board of Supervisors of Carson City shall place on the ballot for the general election to be held on November 6, 2012, a question in substantially the following form:

Shall the Charter of Carson City be amended to provide for a ward system for the election of Supervisors, providing that each Supervisor must be elected in a primary or general election by only the registered voters of the ward that he or she seeks to represent?
Sec. 16. The City Council of the City of Henderson shall place on the ballot for the general election to be held on November 6, 2012, a question in substantially the following form:
    Shall the Charter of the City of Henderson be amended to provide for a ward system for the election of Council Members, providing that each Council Member must be elected in a primary or general election by only the registered voters of the ward that he or she seeks to represent?

Sec. 17. The City Council of the City of Reno shall place on the ballot for the general election to be held on November 6, 2012, a question in substantially the following form:
    Shall the Charter of the City of Reno be amended to provide for a ward system for the election of Council Members, providing that each Council Member must be elected in a general election by only the registered voters of the ward that he or she seeks to represent?

Sec. 18. The City Council of the City of Sparks shall place on the ballot for the general election to be held on November 6, 2012, a question in substantially the following form:
    Shall the Charter of the City of Sparks be amended to provide for a ward system for the election of Council Members, providing that each Council Member must be elected in a general election by only the registered voters of the ward that he or she seeks to represent?

Sec. 19. 1. This section and sections 15 to 18, inclusive, of this act become effective upon passage and approval.
2. Sections 7 to 10.5, inclusive, 13 and 14 of this act become effective on July 1, 2011.
3. Sections 1, 2 and 3 of this act become effective on July 1, 2013, only if a majority of the voters voting on the question placed on the ballot pursuant to section 15 of this act vote affirmatively on the question.
4. Sections 4, 5 and 6 of this act become effective on July 1, 2013, only if a majority of the voters voting on the question placed on the ballot pursuant to section 16 of this act vote affirmatively on the question.
5. Sections 11 and 12 of this act become effective on July 1, 2013, only if a majority of the voters voting on the question placed on the ballot pursuant to section 17 of this act vote affirmatively on the question.
6. Sections 7 to 10, inclusive, of this act expire by limitation on June 30, 2015, unless a majority of the voters voting on the question placed on the ballot pursuant to section 17 of this act vote affirmatively on the question.
7. Sections 13.5 and 14.5 of this act become effective on July 1, 2015, only if a majority of the voters voting on the question placed on the ballot pursuant to section 17 of this act disapproves the question.

Senator Parks moved that the Senate do not concur in the Assembly amendment to Senate Bill No. 304.

Motion carried.

Bill ordered transmitted to the Assembly.

REPORTS OF CONFERENCE COMMITTEES

Mr. President:

The Conference Committee concerning Senate Bill No. 264, consisting of the undersigned members, has met, and reports that:

It has agreed to recommend that Amendment No. 636 of the Assembly be concurred in.

It has agreed to recommend that the bill be further amended as set forth in Conference Amendment No. 2, which is attached to and hereby made a part of this report.

Conference Amendment.

"SUMMARY—Revises provisions concerning the regulation of certain medical facilities."

"AN ACT relating to public health; revising requirements for various reports concerning the care provided by certain medical and related facilities; revising provisions relating to administrative fines collected by the Health Division of the Department of Health and Human Services; and providing other matters properly relating thereto."

Legislative Counsel's Digest:

Existing law requires certain medical facilities to submit to the Health Division of the Department of Health and Human Services reports of sentinel events. (NRS 439.835) The term "sentinel event" is defined for the purposes of these reports to mean an unexpected occurrence at the facility which involves facility-acquired infection, death or serious physical or psychological injury or the risk thereof, including, without limitation, any process variation for which a recurrence would carry a significant chance of a serious adverse outcome. (NRS 439.830) The Health Division is required to prepare annual reports concerning those reports which were submitted by medical facilities located in a county whose population is 100,000 or more (currently Clark and Washoe Counties). (NRS 439.840) Section 5 of this bill requires the Health Division to prepare such annual reports for medical facilities in every county and to make those reports available on the Department's website. Section 5 also requires the Health Division to report that information publicly in a format which allows for comparisons of medical facilities.

Existing law requires medical facilities which provide care to 25 or more patients per day to submit information to the Internet-based surveillance system established and maintained by the Centers for Disease Control and Prevention of the United States Department of Health and Human Services and requires the Health Division to analyze that information. (NRS 439.847) Section 9 of this bill requires the Health Division to report that information publicly in a format which allows for comparisons of medical facilities.

Sections 15.3-17 of this bill require hospitals to submit, as part of the program to increase public awareness of health care information concerning hospitals, data relating to the readmission of a patient if the readmission was potentially preventable and clinically related to the initial admission of the patient. Section 20 of this bill requires the Department of Health and Human Services to post that information on an Internet website. Section 16 also authorizes the Department to report certain information concerning the quality of care provided by hospitals if it can be determined from reports already submitted to the Department. Existing law authorizes the Department to seek injunctive relief or civil penalties against facilities that violate the reporting requirements. (NRS 439A.300, 439A.310)

Sections 21, 22, 24 and 25 of this bill authorize the Health Division to use money which is collected as administrative penalties to administer and carry out the provisions of chapter 449 of NRS and to protect the health and property of the patients and residents of facilities.

Section 35 of this bill repeals NRS 439.825 and 439.850.
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. NRS 439.840 is hereby amended to read as follows:

439.840 1. The Health Division shall:

(a) Collect and maintain reports received pursuant to NRS 439.835 and 439.843 and any additional information requested by the Health Division pursuant to NRS 439.841;

(b) Ensure that such reports, and any additional documents created from such reports, are protected adequately from fire, theft, loss, destruction and other hazards and from unauthorized access;

(c) Annually prepare a report of sentinel events reported pursuant to NRS 439.835 by a medical facility located in a county whose population is 100,000 or more, including, without limitation, the type of event, the number of events, the rate of occurrence of events, and the medical facility which reported the event, and provide the report for inclusion on the Internet website maintained pursuant to NRS 439A.270; and

(d) Annually prepare a summary of the reports received pursuant to NRS 439.835 and provide a summary for inclusion on the Internet website maintained pursuant to NRS 439A.270. The Health Division shall maintain the confidentiality of the patient, the provider of health care or other member of the staff of the medical facility identified in the reports submitted pursuant to NRS 439.835 when preparing the annual summary pursuant to this paragraph.

2. Except as otherwise provided in this section and NRS 239.0115, reports received pursuant to NRS 439.835 and subsection 1 of NRS 439.843 and any additional information requested by the Health Division pursuant to NRS 439.841 are confidential, not subject to subpoena or discovery and not subject to inspection by the general public.

3. The report prepared pursuant to paragraph (c) of subsection 1 must provide to the public information concerning each medical facility which provided medical services and care in the immediately preceding calendar year and must:

(a) Be presented in a manner that allows a person to view and compare the information for the medical facilities;

(b) Be readily accessible and understandable by a member of the general public;

(c) Use standard statistical methodology, including without limitation, risk-adjusted methodology when applicable, and include the description of the methodology and data limitations contained in the report;

(d) Not identify a patient, provider of health care or other member of the staff of the medical facility; and

(e) Not be reported for a medical facility if reporting the data would risk identifying a patient.

Sec. 6. (Deleted by amendment.)

Sec. 7. NRS 439.843 is hereby amended to read as follows:

439.843 1. On or before March 1 of each year, each medical facility shall provide to the Health Division, in the form prescribed by the State Board of Health, a summary of the reports submitted by the medical facility pursuant to NRS 439.835 during the immediately preceding calendar year. The summary must include, without limitation:

(a) The total number and types of sentinel events reported by the medical facility, if any;

(b) A copy of the patient safety plan established pursuant to NRS 439.865;

(c) A summary of the membership and activities of the patient safety committee established pursuant to NRS 439.875; and

(d) Any other information required by the State Board of Health concerning the reports submitted by the medical facility pursuant to NRS 439.835.

2. On or before June 1 of each year, the Health Division shall submit to the State Board of Health an annual summary of the reports and information received by the Health Division pursuant to this section. The annual summary must include, without limitation, a compilation of the information submitted pursuant to subsection 1 and any other pertinent information deemed
necessary by the State Board of Health concerning the reports submitted by the medical facility pursuant to NRS 439.835. The Health Division shall maintain the confidentiality of the patient, the provider of health care or other member of the staff of the medical facility identified in the reports submitted pursuant to NRS 439.835 and any other identifying information of a person requested by the State Board of Health concerning those reports when preparing the annual summary pursuant to this section.

Sec. 8. NRS 439.845 is hereby amended to read as follows:

439.845 1. The Health Division shall analyze and report trends regarding sentinel events.
2. When the Health Division receives notice from a medical facility that the medical facility has taken corrective action to remedy the causes or contributing factors, or both, of a sentinel event, the Health Division shall:
   (a) Make a record of the information;
   (b) Ensure that the information is released in a manner so as not to reveal the identity of a specific patient, provider of health care or member of the staff of the facility; and
   (c) At least quarterly, report its findings regarding the analysis of trends of sentinel events to the Repository for Health Care Quality Assurance on the Internet website maintained pursuant to NRS 439A.270.

Sec. 9. NRS 439.847 is hereby amended to read as follows:

439.847 1. Each medical facility which provided medical services and care to an average of 25 or more patients during each business day in the immediately preceding calendar year shall, within 120 days after becoming eligible, participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services that integrates patient and health care personnel safety surveillance systems. As part of that participation, the medical facility shall provide, at a minimum, the information required by the Health Division pursuant to this subsection. The Health Division shall by regulation prescribe the information which must be provided by a medical facility, including, without limitation, information relating to infections and procedures.
2. Each medical facility which provided medical services and care to an average of less than 25 patients during each business day in the immediately preceding calendar year may participate in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion of the Centers for Disease Control and Prevention of the United States Department of Health and Human Services that integrates patient and health care personnel safety surveillance systems.
3. A medical facility that participates in the secure, Internet-based surveillance system established by the Division of Healthcare Quality Promotion shall authorize:
   (a) The Health Division to access all information submitted to the system, and the Health Division shall enter into an agreement with the Division of Healthcare Quality Promotion to carry out the provisions of this section; and
   (b) Provide consent for the Health Division to include information submitted to the system in the reports posted pursuant to paragraph (b) of subsection 4, including without limitation, permission to identify the medical facility that is the subject of each report.
4. The Health Division shall analyze:
   (a) The information submitted to the system by medical facilities pursuant to this section and recommend regulations and legislation relating to the reporting required pursuant to NRS 439.800 to 439.890, inclusive.
   (b) Annually prepare a report of the information submitted to the system by each medical facility pursuant to this section and provide the reports for inclusion on the Internet website maintained pursuant to NRS 439A.270. The information must be reported in a manner that allows a person to compare the information for the medical facilities and expressed as a total number and a rate of occurrence.
   (c) Enter into an agreement with the Division of Healthcare Quality Promotion to carry out the provisions of this section.

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. 15.3. Chapter 439A of NRS is hereby amended by adding thereto a new section to read as follows:

"Potentially preventable readmission" means an unplanned readmission of a patient which:
1. Occurs not more than 30 days after the patient is discharged;
2. Is clinically related to the initial admission; and
3. Was preventable.

Sec. 15.7. NRS 439A.200 is hereby amended to read as follows:

439A.200 As used in NRS 439A.200 to 439A.290, inclusive, and section 15.3 of this act, unless the context otherwise requires, the words and terms defined in NRS 439A.205 and 439A.210 and section 15.3 of this act have the meanings ascribed to them in those sections.

Sec. 16. NRS 439A.220 is hereby amended to read as follows:

439A.220 1. The Department shall establish and maintain a program to increase public awareness of health care information concerning the hospitals in this State. The program must be designed to assist consumers with comparing the quality of care provided by the hospitals in this State and the charges for that care.

2. The program must include, without limitation, the collection, maintenance and provision of information concerning:
   (a) Inpatients and outpatients of each hospital in this State as reported in the forms submitted pursuant to NRS 449.485;
   (b) The quality of care provided by each hospital in this State as determined by applying [uniform] measures of quality [prescribed by the Department pursuant to NRS 439A.230];
   (c) How consistently each hospital follows recognized practices to prevent the infection of patients, to speed the recovery of patients and to avoid medical complications of patients;
   (d) For each hospital, 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 for the 50 medical treatments for outpatients that the Department determines are most useful for consumers];
   (e) The total number of patients discharged from the hospital and the total number of potentially preventable readmissions, which must be expressed as a total number and a rate of occurrence of potentially preventable readmissions, and the average length of stay and the average billed charges for those potentially preventable readmissions; and
   (f) Any other information relating to the charges imposed and the quality of the services provided by the hospitals in this State which the Department determines is:
      (1) Useful to consumers;
      (2) Nationally recognized; and
      (3) Reported in a standard and reliable manner.

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. 17. NRS 439A.230 is hereby amended to read as follows:

439A.230 1. The Department shall, by regulation:
   (a) Prescribe the information that each hospital in this State must submit to the Department for the program established pursuant to NRS 439A.220.
   (b) Prescribe the measures of quality for hospitals that are required pursuant to paragraph (b) of subsection 2 of NRS 439A.220. In adopting the regulations, the Department shall:
      (1) Use the measures of quality endorsed by the Agency for Healthcare Research and Quality, the National Quality Forum, Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services, a quality improvement organization of the
Centers for Medicare and Medicaid Services and the Joint Commission; [on Accreditation of Healthcare Organizations];

(2) Prescribe a reasonable number of measures of quality which must not be unduly burdensome on the hospitals; and
(3) Take into consideration the financial burden placed on the hospitals to comply with the regulations.

The measures prescribed pursuant to this paragraph must report health outcomes of hospitals, which do not necessarily correlate with the inpatient diagnosis-related groups or the outpatient treatments that are posted on the Internet website pursuant to NRS 439A.270.

(c) Prescribe the manner in which a hospital must determine whether the readmission of a patient must be reported pursuant to NRS 439A.220 as a potentially preventable readmission and the form for submission of such information.

(d) Require each hospital to:

(1) Provide the information prescribed in paragraphs (a), (b) and (c) in the format required by the Department; and
(2) Report the information separately for inpatients and outpatients.

2. The information required pursuant to this section and NRS 439A.220 must be submitted to the Department not later than 45 days after the last day of each calendar month.

3. If a hospital fails to submit the information required pursuant to this section or NRS 439A.220 or submits information that is incomplete or inaccurate, the Department shall send a notice of such failure to the hospital and to the Health Division of the Department.

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. 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:

(1) 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 [the 50 most frequent] medical treatments for outpatients that the Department determines are most useful for consumers; and
(2) Total number of potentially preventable readmissions reported pursuant to NRS 439A.220, the rate of occurrence of potentially preventable readmissions, and the average length of stay and average billed charges of those potentially preventable readmissions, reported by the diagnosis-related group for inpatients for which the patient originally received treatment at a hospital;

(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;
Include the annual summary of reports of sentinel events prepared pursuant to paragraph (c) of subsection 1 of NRS 439.840;

Include the annual summary of reports of sentinel events prepared pursuant to paragraph (d) of subsection 1 of NRS 439.840; and

Include the reports of information prepared for each medical facility pursuant to paragraph (b) of subsection 4 of NRS 439.847; and

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. 21. NRS 449.0305 is hereby amended to read as follows:

1. Except as otherwise provided in subsection 5, a person must obtain a license from the Board to operate a business that provides referrals to residential facilities for groups.

2. The Board shall adopt:

a. Standards for the licensing of businesses that provide referrals to residential facilities for groups;

b. Standards relating to the fees charged by such businesses;

c. Regulations governing the licensing of such businesses; and

d. Regulations establishing requirements for training the employees of such businesses.

3. A licensed nurse, social worker, physician or hospital, or a provider of geriatric care who is licensed as a nurse or social worker, may provide referrals to residential facilities for groups through a business that is licensed pursuant to this section. The Board may, by regulation, authorize a public guardian or any other person it determines appropriate to provide referrals to residential facilities for groups through a business that is licensed pursuant to this section.

4. A business that is licensed pursuant to this section or an employee of such a business shall not:

a. Refer a person to a residential facility for groups that is not licensed.

b. Refer a person to a residential facility for groups that is owned by the same person who owns the business.

c. A person who violates the provisions of this subsection is liable for a civil penalty to be recovered by the Attorney General in the name of the State Board of Health for the first offense of not more than $10,000 and for a second or subsequent offense of not less than $10,000 nor more than $20,000. Unless otherwise required by federal law, the State Board of Health shall deposit all civil penalties collected pursuant to this section into a separate account in the State
General Fund to be used for the enforcement of this section and the protection of the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards.

5. This section does not apply to a medical facility that is licensed pursuant to NRS 449.001 to 449.240, inclusive, on October 1, 1999.

Sec. 22. NRS 449.163 is hereby amended to read as follows:

449.163 1. If a medical facility or facility for the dependent violates any provision related to its licensure, including any provision of NRS 439B.410 or 449.001 to 449.240, inclusive, or any condition, standard or regulation adopted by the Board, the Health Division, in accordance with the regulations adopted pursuant to NRS 449.165, may:
   (a) Prohibit the facility from admitting any patient until it determines that the facility has corrected the violation;
   (b) Limit the occupancy of the facility to the number of beds occupied when the violation occurred, until it determines that the facility has corrected the violation;
   (c) Impose an administrative penalty of not more than $1,000 per day for each violation, together with interest thereon at a rate not to exceed 10 percent per annum; and
   (d) Appoint temporary management to oversee the operation of the facility and to ensure the health and safety of the patients of the facility, until:
      (1) It determines that the facility has corrected the violation and has management which is capable of ensuring continued compliance with the applicable statutes, conditions, standards and regulations; or
      (2) Improvements are made to correct the violation.
   2. If a violation by a medical facility or facility for the dependent relates to the health or safety of a patient, an administrative penalty imposed pursuant to paragraph (c) of subsection 1 must be in a total amount of not less than $1,000 and not more than $10,000 for each patient who was harmed or at risk of harm as a result of the violation.
   3. If the facility fails to pay any administrative penalty imposed pursuant to paragraph (c) of subsection 1, the Health Division may:
      (a) Suspend the license of the facility until the administrative penalty is paid; and
      (b) Collect court costs, reasonable attorney's fees and other costs incurred to collect the administrative penalty.
   4. The Health Division may require any facility that violates any provision of NRS 439B.410 or 449.001 to 449.240, inclusive, or any condition, standard or regulation adopted by the Board to make any improvements necessary to correct the violation.
   5. Any money collected as administrative penalties pursuant to this section must be accounted for separately and used to administer and carry out the provisions of this chapter and to protect the health, safety, well-being and property of the patients and residents of facilities in accordance with applicable state and federal standards.

Sec. 23. (Deleted by amendment.)

Sec. 24. NRS 449.210 is hereby amended to read as follows:

449.210 1. Except as otherwise provided in subsection 2 and NRS 449.24897, a person who operates a medical facility or facility for the dependent without a license issued by the Health Division is guilty of a misdemeanor.
   2. A person who operates a residential facility for groups without a license issued by the Health Division:
      (a) Is liable for a civil penalty to be recovered by the Attorney General in the name of the Health Division for the first offense of not more than $10,000 and for a second or subsequent offense of not less than $10,000 or more than $20,000;
      (b) Shall move all of the persons who are receiving services in the residential facility for groups to a residential facility for groups that is licensed at his or her own expense; and
      (c) May not apply for a license to operate a residential facility for groups for a period of 6 months after the person is punished pursuant to this section.
   3. Unless otherwise required by federal law, the Health Division shall deposit all civil penalties collected pursuant to this section into a separate account in the State General Fund to be used to administer and carry out the provisions of this chapter and to protect the health
protect the health, safety, well-being and property of the patients, including and residents of facilities for groups in accordance with applicable state and federal standards.

Sec. 25. NRS 449.2496 is hereby amended to read as follows:

449.2496 1. A person who operates or maintains a home for individual residential care without a license issued by the Health Division pursuant to NRS 449.249 is liable for a civil penalty, to be recovered by the Attorney General in the name of the Health Division, for the first offense of $10,000 and for a second or subsequent offense of not less than $10,000 nor more than $20,000.

2. Unless otherwise required by federal law, the Health Division shall deposit civil penalties collected pursuant to this section into a separate account in the State General Fund to be used for the protection of and to administer and carry out the provisions of this chapter and to protect the health, safety, well-being and property of the patients, including and residents of facilities found deficient by the Health Division, in accordance with applicable state and federal standards.

3. A person against whom a civil penalty is assessed by the court pursuant to subsection 1:
   (a) Shall move, at that person's own expense, all persons receiving services in the home for individual residential care to a licensed home for individual residential care.
   (b) May not apply for a license to operate a home for individual residential care until 6 months have elapsed since the penalty was assessed.

Sec. 26. (Deleted by amendment.)
Sec. 27. (Deleted by amendment.)
Sec. 28. (Deleted by amendment.)
Sec. 29. (Deleted by amendment.)
Sec. 30. (Deleted by amendment.)
Sec. 31. (Deleted by amendment.)
Sec. 32. (Deleted by amendment.)
Sec. 33. (Deleted by amendment.)
Sec. 34. (Deleted by amendment.)
Sec. 35. NRS 439.825 and 439.850 are hereby repealed.
Sec. 36. (Deleted by amendment.)
Sec. 37. This act becomes effective on July 1, 2011.

TEXT OF REPEALED SECTIONS

439.825 "Repository" defined. "Repository" means the Repository for Health Care Quality Assurance created by NRS 439.850.

439.850 Repository for Health Care Quality Assurance: Creation; function.

1. The Repository for Health Care Quality Assurance is hereby created within the Health Division.

2. The Repository shall, to the extent of legislative appropriation and authorization, function as a clearinghouse of information relating to aggregated trends of sentinel events.

Senator Leslie moved that the Senate adopt the report of the Conference Committee concerning Senate Bill No. 264.

Motion carried by a constitutional majority.

RECEDE FROM SENATE AMENDMENTS

Senator Breeden moved that the Senate recede from its action on Assembly Bill No. 53.

Motion carried.

Bill ordered transmitted to the Assembly.
SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President and Secretary signed Senate Bills Nos. 77, 233, 361; Senate Resolution No. 5; Assembly Bills Nos. 82, 225, 229, 337, 452.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Denis, the privilege of the Floor of the Senate Chamber for this day was extended to Amalia A. Serrano and Jaime Serrano.

On request of Senator Kihuen, the privilege of the Floor of the Senate Chamber for this day was extended to Ramir Hernandez.

On request of Senator McGinness, the privilege of the Floor of the Senate Chamber for this day was extended to Amy Tarkanian.

On request of President Krolicki, the privilege of the Floor of the Senate Chamber for this day was extended to Karen Chen and Claire Lo.

Senator Wiener moved that the Senate adjourn until Saturday, June 4, 2011, at 9 a.m.

Motion carried.

Senate adjourned at 6:55 p.m.

Approved: BRIAN K. KROLICKI
President of the Senate

Attest: DAVID A. BYERMAN
Secretary of the Senate