

**THE ONE HUNDRED AND FIFTEENTH DAY**

---

CARSON CITY (Wednesday), May 27, 2015

Assembly called to order at 12:09 p.m.

Mr. Speaker presiding.

Roll called.

All present.

Prayer by the Chaplain, Dr. Ken Haskins.

Our heavenly Father, like the recent and welcome rain, every good and perfect gifts come down from heaven from Your hands. We are thankful for Your constant love and provision. Provide for us today all things necessary for us to perform well the tasks set before us. I pray in Jesus' Name.

AMEN.

Pledge of allegiance to the Flag.

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

Motion carried.

## REPORTS OF COMMITTEES

*Mr. Speaker:*

Your Committee on Commerce and Labor, to which was referred Senate Bill No. 374, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RANDY KIRNER, *Chair*

*Mr. Speaker:*

Your Committee on Education, to which was referred Senate Bill No. 414, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Concurrent Committee on Education, to which was referred Senate Bill No. 332, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MELISSA WOODBURY, *Chair*

*Mr. Speaker:*

Your Committee on Judiciary, to which was referred Senate Bill No. 60, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Concurrent Committee on Judiciary, to which was referred Senate Bill No. 230, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

IRA HANSEN, *Chair*

*Mr. Speaker:*

Your Committee on Natural Resources, Agriculture, and Mining, to which was referred Senate Bill No. 89, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

ROBIN L. TITUS, *Chair*

## MESSAGES FROM THE SENATE

SENATE CHAMBER, Carson City, May 26, 2015

*To the Honorable the Assembly:*

I have the honor to inform your honorable body that the Senate on this day passed, as amended, Senate Bills Nos. 69, 491, 498, 509; Senate Joint Resolution No. 13.

Also, I have the honor to inform your honorable body that the Senate on this day concurred in Assembly Amendment No. 795 to Senate Bill No. 5; Assembly Amendment No. 654 to Senate Bill No. 25; Assembly Amendment No. 740 to Senate Bill No. 29; Assembly Amendment No. 693 to Senate Bill No. 36; Assembly Amendment No. 692 to Senate Bill No. 38; Assembly Amendment No. 663 to Senate Bill No. 40; Assembly Amendment No. 722 to Senate Bill No. 50; Assembly Amendment No. 691 to Senate Bill No. 59; Assembly Amendment No. 725 to Senate Bill No. 84; Assembly Amendment No. 820 to Senate Bill No. 144; Assembly Amendment No. 742 to Senate Bill No. 174; Assembly Amendment No. 808 to Senate Bill No. 188; Assembly Amendment No. 855 to Senate Bill No. 192; Assembly Amendment No. 809 to Senate Bill No. 209; Assembly Amendment No. 721 to Senate Bill No. 223; Assembly Amendment No. 822 to Senate Bill No. 238; Assembly Amendment No. 790 to Senate Bill No. 240; Assembly Amendment No. 823 to Senate Bill No. 254; Assembly Amendment No. 739 to Senate Bill No. 285; Assembly Amendment No. 733 to Senate Bill No. 401; Assembly Amendments Nos. 674, 794 to Senate Bill No. 419; Assembly Amendments Nos. 656, 672 to Senate Bill No. 476.

Also, I have the honor to inform your honorable body that the Senate on this day respectfully refused to concur in the Assembly Amendment No. 837 to Senate Bill No. 7; Assembly Amendment No. 904 to Senate Bill No. 53; Assembly Amendment No. 810 to Senate Bill No. 376.

SHERRY RODRIGUEZ

*Assistant Secretary of the Senate*

## MOTIONS, RESOLUTIONS AND NOTICES

Senate Joint Resolution No. 13.

Assemblyman Paul Anderson moved that the resolution be referred to the Committee on Taxation.

Motion carried.

Assemblyman Paul Anderson moved that the Assembly rescind the action whereby Senate Bill No. 456 was concurrently referred to the Committee on Ways and Means.

Motion carried.

## INTRODUCTION, FIRST READING AND REFERENCE

Senate Bill No. 69.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 491.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Ways and Means.

Motion carried.

Senate Bill No. 498.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

Senate Bill No. 509.

Assemblyman Paul Anderson moved that the bill be referred to the Committee on Education.

Motion carried.

SECOND READING AND AMENDMENT

Assembly Bill No. 436.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 920.

AN ACT relating to state employees; revising provisions relating to compensation of state employees to eliminate longevity pay for such employees; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law provides for a plan to encourage continuity of service for state employees whereby each employee with 8 years or more of continuous state service is entitled to a semiannual payment which begins at \$75 and increases annually after that for each year of continuous service to a maximum semiannual payment of \$1,175 (referred to commonly as "longevity pay"). (NRS 284.177) **Section 5** of this bill repeals that provision, but does not affect any longevity pay of local governmental employees, and **sections 1, ~~4~~ and 2** of this bill make conforming changes to reflect that repeal.

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

**Section 1.** NRS 281.123 is hereby amended to read as follows:

281.123 1. Except as otherwise provided in subsection 3 or NRS 281.1233, or as authorized by statute referring specifically to that position, the salary of a person employed by the State or any agency of the State must not exceed 95 percent of the salary for the office of Governor during the same period.

2. As used in subsection 1, the term "salary":

(a) Includes any:

(1) Payment received by an employee for being available to work although the employee was not actually required to perform the work;

(2) Increase in salary provided to compensate for a rise in the cost of living; *and*

(3) ~~Payment received under a plan established to encourage continuity of service; and~~

—(4)] Payment received as compensation for purportedly performing additional duties.

(b) Excludes any:

(1) Payment received as compensation for overtime even if that payment is otherwise authorized by law; and

(2) Rent or utilities supplied to an employee if the employee is required by statute or regulation to live in a particular dwelling.

3. The provisions of subsection 1 do not apply to the salaries of:

(a) Dentists and physicians employed full-time by the State; or

(b) Officers and employees of the Nevada System of Higher Education.

**Sec. 2.** NRS 284.3775 is hereby amended to read as follows:

284.3775 1. Except as otherwise provided in this section, employees of the Supreme Court, employees of the Court of Appeals, employees in the unclassified service of the Executive Branch of the Government of the State of Nevada, or employees of the Legislative Branch of the Government of the State of Nevada who have served for 4 consecutive months or more are entitled to transfer to a position having similar duties and compensation in the classified service of the State on the same basis as employees may transfer within the classified service from a position under one appointing authority to a position under another appointing authority. The benefit conferred by this subsection includes any exemption from the taking of a competitive examination, retention of credits for annual and sick leave, ~~and longevity,~~ and priority on the lists of eligible persons to the extent that such privileges are accorded to employees transferring within the classified service.

2. Except as otherwise provided in subsection 4, the benefits conferred by subsection 1 do not apply to an employee in the unclassified service who is the chief officer of a department or division.

3. Except as otherwise provided in this subsection and subsection 4, a person may not transfer pursuant to subsection 1 to a class composed of:

(a) Professionally qualified persons; or

(b) Officers and administrators who set broad policies and exercise responsibility for the execution of those policies.

↪ A person may transfer to a class described in paragraph (a) or (b) if that class is provided for pursuant to subsection 2 of NRS 284.155.

4. The restrictions provided in subsections 2 and 3 do not apply to an employee of the Supreme Court, an employee of the Court of Appeals, an employee in the unclassified service of the Executive Branch of Government or an employee of the Legislative Branch of Government whose appointment to that position was immediately preceded by an appointment in the classified service, except that such an employee may only transfer to a position in the classified service that has duties and compensation that are similar either to the employee's current position or to a position the employee previously held in the classified service.

5. An employee in the classified service of the State who is granted leave without pay to accept a position in the Legislative Branch of Government during a regular or special session:

(a) Is entitled to be restored to the employee's previous position in the classified service upon the completion of the legislative session without loss of seniority or benefits. Seniority must be calculated as if the employee had not taken the leave.

(b) Is eligible to fill vacancies in positions within the classified service to the extent that the employee would be eligible if the employee was not on leave from the employee's position in the classified service.

6. An employee of the Legislative Branch of the Government of the State of Nevada who is employed at the conclusion of a regular session of the Legislature and is eligible at that time pursuant to subsection 1 to transfer to a position having similar duties and compensation in the classified service of the State may transfer to such a position on or before November 1 following session notwithstanding the termination of the employee's employment with the Legislative Branch of Government before that date. For the purposes of this section, the weekly compensation of a person paid a daily salary during a legislative session is seven times the daily salary.

~~Sec. 3. [NRS 1A.030 is hereby amended to read as follows:~~

~~1A.030 1. "Compensation" means the salary paid to a justice of the Supreme Court, a judge of the Court of Appeals or a district judge by this State, to a justice of the peace by a county or to a municipal judge by a city, including:~~

~~(a) Base pay, which is the monthly rate of pay excluding all fringe benefits;~~

~~(b) Additional payment for longevity [;], *if applicable*; and~~

~~(c) Payment for extra duty assignments if it is the standard practice of this State, the county or the city to include such pay in the employment contract or official job description for the calendar year in which it is paid and such pay is specifically included in the justice's or judge's employment contract or official job description.~~

~~2. The term does not include any type of payment not specifically described in this section. (Deleted by amendment.)~~

~~Sec. 4. [NRS 3.030 is hereby amended to read as follows:~~

~~3.030 1. Until the first Monday in January 2009, the annual base salary of each district judge is \$130,000. From and after the first Monday in January 2009, the annual base salary of each district judge is \$160,000.~~

~~2. If a district judge has served in his or her office for at least 4 years, the district judge is entitled to an additional salary of 2 percent of his or her annual base salary for each year of service. The additional salary must not exceed 22 percent of his or her annual base salary.~~

~~3. The annual base salaries [and the additional salary for longevity] must be paid in biweekly installments out of the State Judicial Elected Officials Account of the Supreme Court.~~

~~4. No salary of any district judge may be paid in advance. (Deleted by amendment.)~~

**Sec. 5.** NRS 284.177 and 284.179 are hereby repealed.

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

### TEXT OF REPEALED SECTIONS

#### **284.177 Plan to encourage continuity of service.**

1. A plan to encourage continuity of service, administered by the Division, is hereby established for employees with 8 years or more of continuous state service. Except as otherwise provided in NRS 284.179, an employee rated standard or better with 8 years or more of continuous service is entitled to receive a semiannual payment of \$75 plus:

(a) An annual increase of \$25 in the semiannual payment for each year of the employee's ninth through fourteenth years of continuous service;

(b) An annual increase of \$50 in the semiannual payment for each year of the employee's fifteenth through twenty-fourth years of continuous service; and

(c) An annual increase of \$75 in the semiannual payment for each additional year of continuous service after 24 years, up to a maximum of 30 years of continuous state service.

2. An interruption in continuous state service terminates the employee's eligibility for additional pay pursuant to subsection 1.

3. Except as otherwise provided in this subsection, no year served before the interruption may be counted in determining the employee's subsequent eligibility. This provision does not apply to an employee who was employed before July 1, 1981, unless the employee leaves state service after that date.

4. As used in this section, "continuous service" means uninterrupted service as defined by the Commission.

**284.179 Professional employees of Nevada System of Higher Education not entitled to payments pursuant to plan to encourage continuity of service.** The professional employees of the Nevada System of Higher Education are not entitled to receive the payments provided in NRS 284.177.

Assemblyman Paul Anderson moved the adoption of the amendment.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 436 as amended repeals NRS 284.177 and NRS 284.179, which provide for longevity payments to state employees. Assembly Bill 436 as amended enacts recommendations, including the Executive Budget, and is effective upon passage and approval.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 438.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 921.

AN ACT making an appropriation to the Division of Forestry of the State Department of Conservation and Natural Resources for costs related to employee retirement buyouts, terminal leave payments and other termination-related costs for eliminated positions within the Intergovernmental All-Risk Fire Management Program of the Division; and providing other matters properly relating thereto.

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

**Section 1.** There is hereby appropriated from the State General Fund to the Division of Forestry of the State Department of Conservation and Natural Resources the sum of ~~(\$259,928)~~ **\$255,815** for employee retirement buyouts, terminal leave payments and other termination-related costs for eliminated positions within the Intergovernmental All-Risk Fire Management Program of the Division.

**Sec. 2.** Any remaining balance of the appropriation made by section 1 of this act must not be committed for expenditure after June 30, 2017, by the Division of Forestry of the State Department of Conservation and Natural Resources 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 15, 2017, by either the Division 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 15, 2017.

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

Assemblyman Paul Anderson moved the adoption of the amendment.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 438 as amended appropriates \$255,815 from the State General Fund to the Division of Forestry of the State Department of Conservation and Natural Resources for costs related to the employee retirement buyouts for eliminated positions within the Intergovernmental All-Risk Fire Management Program of the Division. It becomes effective upon passage and approval.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 443.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 950.

AN ACT making an appropriation to the Legislative Counsel Bureau for the cost of dues and registration for national organizations and one-time building

maintenance and information technology purchases; and providing other matters properly relating thereto.

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

Section 1. There is hereby appropriated from the State General Fund to the Legislative Counsel Bureau the sum of ~~[\$2,011,073]~~ \$2,004,232 to be allocated as follows:

- 1. For the cost of dues and registration for national organizations.....~~[\$778,181]~~ \$776,460
- 2. For one-time building maintenance and information technology purchases.....~~[\$1,232,892]~~ \$1,227,772

Sec. 2. Any remaining balance of the appropriation made by section 1 of this act must not be committed for expenditure after June 30, 2017, by the Legislative Counsel Bureau 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 15, 2017, by either the Legislative Counsel Bureau 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 15, 2017.

Sec. 3. This act becomes effective on July 1, 2015.

Assemblyman Paul Anderson moved the adoption of the amendment.  
Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 443 as amended makes an appropriation to the Legislative Counsel Bureau for the cost of dues and registration for national organizations and some one-time building maintenance and information technology purchases.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 466.

Bill read second time and ordered to third reading.

Assembly Bill No. 469.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 800.

AN ACT relating to governmental administration; creating the Office of Finance in the Office of the Governor; transferring certain powers and duties of the Department of Administration to the Office of Finance; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law creates the Department of Administration consisting of several divisions, including the Budget Division and the Division of Internal Audits.



(NRS 232.213) **Section 2** of this bill creates the Office of Finance in the Office of the Governor. **Sections 2-13** of this bill transfer the duties of the Budget Division and the Division of Internal Audits from the Department of Administration to the Office of Finance.

**Sections 14-16** of this bill provide transitory provisions regarding the transfer of the responsibilities of the Department of Administration to the Office of Finance, including the transfer and adoption of regulations, the effect of name changes on any existing contracts, revisions that may be necessary to other provisions of existing law and administrative regulations to conform to the changes made in this bill and other necessary direction to carry out the intent of this bill.

If this bill is enacted, the Legislative Counsel and the Legal Division of the Legislative Counsel Bureau will be required by **section 16** and NRS 220.120 to conform all sections of law not included in this bill to the reorganization provided by this bill.

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

**Section 1.** Chapter 223 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

**Sec. 2. 1.** *The Office of Finance is hereby created in the Office of the Governor.*

*2. The Office of Finance consists of a Director and the following:*

*(a) The Budget Division; and*

*(b) The Division of Internal Audits.*

**Sec. 3.** *The Director of the Office of Finance:*

*1. Is appointed by, is responsible to and serves at the pleasure of the Governor.*

*2. Is in the unclassified service of the State.*

*3. Shall not engage in any other gainful employment or occupation.*

**Sec. 4.** *The Director of the Office of Finance:*

*1. Shall appoint a Chief of the Budget Division, who serves at the pleasure of the Director and is in the unclassified service of the State, or may serve in this position if the Director has the qualifications required by NRS 353.175.*

*2. Is responsible for the administration, through the divisions of the Office, of the provisions of NRS 235.005 to 235.016, inclusive, 353.150 to 353.246, inclusive, and 353A.031 to 353A.100, inclusive, and all other provisions of law relating to the functions of the divisions of the Office.*

**Sec. 5. 1.** *The Director of the Office of Finance shall appoint the Administrator of the Division of Internal Audits.*

*2. The Administrator of the Division of Internal Audits of the Office of Finance serves at the pleasure of the Director and is in the unclassified service of the State.*

**Sec. 6. 1.** *Unless federal law or regulation otherwise requires, the Chief of the Budget Division and the Administrator of the Division of Internal Audits may appoint a Deputy and a Chief Assistant in the unclassified service of the State, who shall not engage in any other gainful employment or occupation except as otherwise provided in NRS 284.143.*

**2.** *Except as otherwise provided in subsection 1 and sections 3, 4 and 5 of this act, employees of the Office of Finance are in the classified service of the State.*

**Sec. 7.** ~~NRS 223.085 is hereby amended to read as follows:~~

~~223.085 1. The Governor may, within the limits of available money, employ such persons as he or she deems necessary to provide an appropriate staff for the Office of the Governor, including, without limitation, *the Office of Finance*, the Office of Economic Development, the Office of Science, Innovation and Technology and the Governor's mansion. Any such employees are not in the classified or unclassified service of the State and, except as otherwise provided in NRS 231.043 and 231.047, serve at the pleasure of the Governor.~~

~~2. The Governor shall:~~

~~(a) Determine the salaries and benefits of the persons employed pursuant to subsection 1, within limits of money available for that purpose; and~~

~~(b) Adopt such rules and policies as he or she deems appropriate to establish the duties and employment rights of the persons employed pursuant to subsection 1.~~

~~3. The Governor may:~~

~~(a) Appoint a Chief Information Officer of the State; or~~

~~(b) Designate the Administrator as the Chief Information Officer of the State.~~

~~If the Administrator is so appointed, the Administrator shall serve as the Chief Information Officer of the State without additional compensation.~~

~~4. As used in this section, "Administrator" means the Administrator of the Division of Enterprise Information Technology Services of the Department of Administration. **(Deleted by amendment.)**~~

**Sec. 8.** NRS 232.213 is hereby amended to read as follows:

232.213 1. The Department of Administration is hereby created.

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

(a) ~~Budget Division.~~

~~(b)~~ Risk Management Division.

~~(c)~~ (b) Hearings Division, which consists of hearing officers, compensation officers and appeals officers.

~~(d)~~ (c) State Public Works Division.

~~(e)~~ (d) Purchasing Division.

~~(f)~~ (e) Administrative Services Division.

~~(g) Division of Internal Audits.~~

~~(h)~~ (f) Division of Human Resource Management.

~~(i)~~ (g) Division of Enterprise Information Technology Services.

~~[(j)]~~ (h) Division of State Library and Archives.

~~[(k)]~~ (i) Office of Grant Procurement, Coordination and Management.

~~[(l)]~~ (j) Fleet Services Division.

**Sec. 9.** NRS 232.215 is hereby amended to read as follows:

232.215 The Director:

1. Shall appoint an Administrator of the:

(a) Risk Management Division;

(b) State Public Works Division;

(c) Purchasing Division;

(d) Administrative Services Division;

(e) ~~Division of Internal Audits;~~

~~[(f)]~~ Division of Human Resource Management;

~~[(g)]~~ (f) Division of Enterprise Information Technology Services;

~~[(h)]~~ (g) Division of State Library and Archives;

~~[(i)]~~ (h) Office of Grant Procurement, Coordination and Management; and

~~[(j)]~~ (i) Fleet Services Division.

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

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

~~4.]~~ 3. Is responsible for the administration, through the divisions of the Department, of the provisions of chapters 233F, 242, 284, 331, 333, 336, 338 and 341 of NRS ~~[, NRS 353.150 to 353.246, inclusive, and 353A.031 to 353A.100, inclusive,]~~ and chapter 378 of NRS and all other provisions of law relating to the functions of the divisions of the Department.

~~5.]~~ 4. Is responsible for the administration of the laws of this State relating to the negotiation and procurement of medical services and other benefits for state agencies.

~~6.]~~ 5. Has such other powers and duties as are provided by law.

**Sec. 10.** NRS 232.2165 is hereby amended to read as follows:

232.2165 The Administrator of:

1. The State Public Works Division;

2. The Purchasing Division;

3. The Administrative Services Division;

4. ~~The Division of Internal Audits;~~

~~5.]~~ The Division of Human Resource Management;

~~6.]~~ 5. The Division of Enterprise Information Technology Services;

~~7.]~~ 6. The Division of State Library and Archives;

~~8.]~~ 7. The Office of Grant Procurement, Coordination and Management;

and

~~9.]~~ 8. The Fleet Services Division,

↪ of the Department serves at the pleasure of the Director and is in the unclassified service of the State.

**Sec. 11.** NRS 232.217 is hereby amended to read as follows:

232.217 Unless federal law or regulation otherwise requires, the ~~{Chief of the Budget Division and the}~~ Administrator of the:

1. State Public Works Division;
2. Purchasing Division;
3. ~~{Division of Internal Audits;~~
- ~~4.}~~ Division of Human Resource Management;
- ~~5.}~~ 4. Division of Enterprise Information Technology Services;
- ~~6.}~~ 5. Division of State Library and Archives; and
- ~~7.}~~ 6. Fleet Services Division,

↪ may appoint a Deputy and a Chief Assistant in the unclassified service of the State, who shall not engage in any other gainful employment or occupation except as otherwise provided in NRS 284.143.

**Sec. 12.** NRS 232.219 is hereby amended to read as follows:

232.219 1. The Department of Administration's Operating Fund for Administrative Services is hereby created as an internal service fund.

2. The operating budget of each of the following entities must include an amount representing that entity's share of the operating costs of the central accounting function of the Department:

- (a) State Public Works Division;
- (b) ~~{Budget Division;~~
- ~~(e)}~~ Purchasing Division;
- ~~(d)}~~ (c) Hearings Division;
- ~~(e)}~~ (d) Risk Management Division;
- ~~(f)}~~ ~~{Division of Internal Audits;~~
- ~~(g)}~~ (e) Division of Human Resource Management;
- ~~(h)}~~ (f) Division of Enterprise Information Technology Services;
- ~~(i)}~~ (g) Division of State Library and Archives; and
- ~~(j)}~~ (h) Fleet Services Division.

3. All money received for the central accounting services of the Department must be deposited in the State Treasury for credit to the Operating Fund.

4. All expenses of the central accounting function of the Department must be paid from the Fund as other claims against the State are paid.

**Sec. 13.** NRS 232.2195 is hereby amended to read as follows:

232.2195 The Administrative Services Division shall:

1. Furnish fiscal and accounting services to ~~{the}~~ :
  - (a) *The* Director and to each division of the Department; and
  - (b) *The Office of Finance.*
2. Advise and assist ~~{the}~~ :
  - (a) *The* Director and each division of the Department in carrying out their functions and responsibilities ~~{}~~; and
  - (b) *The Office of Finance in carrying out its functions and responsibilities.*

**Sec. 14.** 1. Any administrative regulations adopted by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or other entity remain in force until amended by the officer, agency or other entity to which the responsibility for the adoption of the regulations has been transferred.

2. Any contracts or other agreements entered into by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or other entity are binding upon the officer, agency or other entity to which the responsibility for the administration of the provisions of the contract or other agreement have been transferred. Such contracts and other agreements may be enforced by the officer, agency or other entity to which the responsibility for the enforcement of the provisions of the contract or other agreement has been transferred.

3. Any action taken by an officer, agency or other entity whose name has been changed or whose responsibilities have been transferred pursuant to the provisions of this act to another officer, agency or entity remains in effect as if taken by the officer, agency or other entity to which the responsibility for the enforcement of such actions has been transferred.

**Sec. 15.** The assets and liabilities of any fund or account transferred from the Director of the Department of Administration to the Director of the Office of Finance are unaffected by the transfer.

**Sec. 16.** The Legislative Counsel shall:

1. In preparing the Nevada Revised Statutes, use the authority set forth in subsection 10 of NRS 220.120 to substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act for the name which the agency, officer or instrumentality previously used; and

2. In preparing supplements to the Nevada Administrative Code, substitute appropriately the name of any agency, officer or instrumentality of the State whose name is changed by this act for the name which the agency, officer or instrumentality previously used.

**Sec. 17.** This act becomes effective on July 1, 2015.

Assemblyman Kirner moved the adoption of the amendment.

Remarks by Assemblyman Kirner.

ASSEMBLYMAN KIRNER:

Assembly Bill 469 as amended creates the Office of Finance in the Office of the Governor and removes the duties of the Budget Division and the Division of Internal Audits from the Department of Administration and transfers them to the Office of Finance. Assembly Bill 469 as amended also creates a new position for the Director of the Office of Finance.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 472.

Bill read second time and ordered to third reading.

Assembly Bill No. 473.

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 Ways and Means:

Amendment No. 967.

AN ACT relating to common-interest ownership; revising certain fees required to be paid by homeowners' associations; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law establishes certain fees that must be paid by homeowners' associations to the Real Estate Administrator for deposit with the State Treasurer for credit to the Account for Common-Interest Communities and Condominium Hotels. These fees are established on the basis of the actual costs of administering the Office of the Ombudsman for Owners in Common-Interest Communities and Condominium Hotels and may not exceed \$3 for each unit in a homeowners' association. (NRS 116.31155) This bill increases that amount from \$3 to \$5 ~~[-]~~ **beginning on July 1, 2016.**

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

**Section 1.** NRS 116.31155 is hereby amended to read as follows:

116.31155 1. Except as otherwise provided in subsection 2, an association shall:

(a) If the association is required to pay the fee imposed by NRS 78.150, 82.193, 86.263, 87.541, 87A.560 or 88.591, pay to the Administrator a fee established by regulation of the Administrator for every unit in the association used for residential use.

(b) If the association is organized as a trust or partnership, or as any other authorized business entity, pay to the Administrator a fee established by regulation of the Administrator for each unit in the association.

2. If an association is subject to the governing documents of a master association, the master association shall pay the fees required pursuant to this section for each unit in the association that is subject to the governing documents of the master association, unless the governing documents of the master association provide otherwise. The provisions of this subsection do not relieve any association that is subject to the governing documents of a master association from its ultimate responsibility to pay the fees required pursuant to this section to the Administrator if they are not paid by the master association.

3. The fees required to be paid pursuant to this section must be:

(a) Paid at such times as are established by the Division.

(b) Deposited with the State Treasurer for credit to the Account for Common-Interest Communities and Condominium Hotels created by NRS 116.630.

(c) Established on the basis of the actual costs of administering the Office of the Ombudsman and the Commission and not on a basis which includes any subsidy beyond those actual costs. In no event may the fees required to be paid pursuant to this section exceed ~~[\$3]~~ \$5 per unit.

4. The Division shall impose an administrative penalty against an association or master association that violates the provisions of this section by failing to pay the fees owed by the association or master association within the times established by the Division. The administrative penalty that is imposed for each violation must equal 10 percent of the amount of the fees owed by the association or master association or \$500, whichever amount is less. The amount of the unpaid fees owed by the association or master association bears interest at the rate set forth in NRS 99.040 from the date the fees are due until the date the fees are paid in full.

5. A unit's owner may not be required to pay any portion of the fees or any administrative penalties or interest required to be paid pursuant to this section to both an association and a master association.

6. An association that is subject to the governing documents of a master association may not be required to pay any portion of the fees or any administrative penalties or interest required to be paid pursuant to this section to the extent they have already been paid by the master association.

7. A master association may not be required to pay any portion of the fees or any administrative penalties or interest required to be paid pursuant to this section to the extent they have already been paid by an association that is subject to the governing documents of the master association.

8. Upon the payment of the fees and any administrative penalties and interest required by this section, the Administrator shall provide to the association or master association evidence that it paid the fees and the administrative penalties and interest in compliance with this section.

9. Any person, association or master association which has been requested or required to pay any fees, administrative penalties or interest pursuant to this section and which believes that such fees, administrative penalties or interest has been imposed in error may, without exhausting any available administrative remedies, bring an action in a court of competent jurisdiction to recover:

(a) Any amount paid in error for any fees, administrative penalties or interest during the immediately preceding 3 years;

(b) Interest on the amount paid in error at the rate set forth in NRS 99.040; and

(c) Reasonable costs and attorney's fees.

**Sec. 2.** This act becomes effective on July 1, ~~2015~~ **2016**.

Assemblyman Paul Anderson moved the adoption of the amendment.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 474 as amended increases the per unit fee paid by homeowners' associations to the Real Estate Administrator from a maximum of \$3 to a maximum of \$5 for actual costs for administering the Office of the Ombudsman within the Common-Interest Communities Account. This bill as amended becomes effective July 1, 2016.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 482.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 966.

SUMMARY ~~[Provides for the establishment of a Veterans Policy Leadership Institute within the Nevada System of Higher Education and provides for the preparation of certain reports]~~ **Revises provisions** relating to veterans. (BDR ~~[34-1197]~~ **37-1197**)

AN ACT relating to veterans affairs; ~~[authorizing the Board of Regents of the University of Nevada to establish a Veterans Policy and Leadership Institute to increase research on improving outcomes for veterans, members of the military and their families;]~~ requiring the Department of Veterans Services and the Nevada Veterans Services Commission to prepare certain reports; **imposing certain duties on the Interagency Council on Veterans Affairs relating to veterans and servicemen and servicewomen and their families;** and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

~~[Under existing law, the Desert Research Institute was required to be established by the Board of Regents of the University of Nevada within the Nevada System of Higher Education for educational and scientific research. (NRS 396.795-396.7956) The Board of Regents was also authorized to establish an Ethics Institute within the System to study questions and define standards regarding medical ethics. (NRS 396.797-396.7975) Sections 2-7 of this bill authorize the Board of Regents to establish a Veterans Policy and Leadership Institute within the Nevada System of Higher Education. The purpose of the Institute is to increase the amount of research related to improving the outcomes for veterans, members of the military and their families, including in the areas of education, employment and wellness. Sections 9, 10 and 12 of this bill require the Interagency Council on Veterans Affairs, the Director and Deputy Director of the Department of Veterans Services and the Nevada Veterans Services Commission to consult with the Veterans Policy and Leadership Institute when developing and analyzing data for any reports or recommendations that those entities are required to submit to the Governor and the Legislature.]~~



**Section 8** of this bill requires the Director of the Department of Veterans Services to prepare a fiscal report regarding the amount and sources of funding received by the Department for the provision of programs and services to veterans and a comprehensive overview of the Department's budget. **Section 8** also requires the Director to transmit a digital copy of the report to each veteran for whom the Department has an electronic mail address and to post the report on the Department's Internet website.

**Existing law creates the Interagency Council on Veterans Affairs and requires the Council to perform various duties relating to the needs of veterans and servicemen and servicewomen and their families in Nevada. (NRS 417.0191, 417.0195) Section 9 of this bill imposes additional duties on the Council relating to such persons, including: (1) fostering the development and dissemination of research and policy for improving outcomes for those persons; (2) developing and administering a fellowship program to increase research on improving outcomes for those persons; and (3) developing models for outreach to and engagement of veterans.**

Under existing law, the Nevada Veterans Services Commission is required to advise the Director and Deputy Director of the Department of Veterans Services on various issues relating to veterans. (NRS 417.150-417.190) **Section 12** requires the Nevada Veterans Services Commission to prepare and submit an annual report to the Interagency Council on Veterans Affairs that summarizes its activities during the preceding fiscal year. **Section 9** requires the Interagency Council on Veterans Affairs to include the Commission's annual report in the annual report that the Interagency Council is required to submit to the Governor and the Legislature.

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 to 7, inclusive, of this act.] **(Deleted by amendment.)**

**Sec. 2.** [~~The Board of Regents may establish a Veterans Policy and Leadership Institute as a facility within the System to increase research on improving outcomes for veterans, members of the military and their families, including, without limitation, in the areas of education, employment and wellness.~~] **(Deleted by amendment.)**

**Sec. 3.** [~~If established pursuant to section 2 of this act, the Veterans Policy and Leadership Institute may:~~

~~1. Develop and disseminate best practices for improving outcomes for veterans, members of the military and their families through policy recommendations at the state and local governmental levels.~~

~~2. Foster the development and dissemination of research and policy for improving outcomes for veterans, members of the military and their families.~~

~~3. Develop and administer a fellowship program to increase research on improving outcomes for veterans, members of the military and their families.~~

~~including, without limitation, in the areas of education, employment and wellness. If developed, the program must include, without limitation, publication of peer reviewed materials and an annual conference.~~

~~4. Assist the Department of Veterans Services, the Nevada Veterans Services Commission and the Interagency Council on Veterans Affairs in developing and analyzing data for reports and policy recommendations for the Governor and the Legislature.~~

~~5. Cultivate leadership opportunities for veterans.~~

~~6. Develop models for outreach to and engagement of veterans.]~~

(Deleted by amendment.)

Sec. 4. ~~[The Board of Regents, on behalf of the Veterans Policy and Leadership Institute, may:~~

~~1. Enter into contracts with persons or governmental agencies to use the services or facilities of the Veterans Policy and Leadership Institute.~~

~~2. Accept gifts or grants of money or property.~~

~~3. Receive and hold any real or personal property, including, without limitation, patents, copyrights, royalties and contracts.~~

~~4. Manage, invest, use and dispose of any property received, either as specified by the donor or for the furtherance of the objectives of the Veterans Policy and Leadership Institute.]~~ (Deleted by amendment.)

Sec. 5. ~~[1. The Board of Regents may establish policies and procedures for personnel in connection with the operation of contractual or sponsored activities of the Veterans Policy and Leadership Institute, apart from those policies and procedures which are established for the professional personnel of other branches or facilities of the System.~~

~~2. In establishing the policies and procedures pursuant to subsection 1, the Board of Regents is not bound by any of the other provisions of this chapter or the provisions of title 23 of NRS, and none of those provisions are applicable to any person employed in connection with the operation of contractual or sponsored activities of the Veterans Policy and Leadership Institute except as may be prescribed by the Board of Regents.]~~ (Deleted by amendment.)

Sec. 6. ~~[Any money received by the Board of Regents on behalf of the Veterans Policy and Leadership Institute pursuant to section 4 of this act may be deposited by the Board of Regents to the credit of the Veterans Policy and Leadership Institute in any financial institution in this State that is federally insured or insured by a private insurer approved pursuant to NRS 678.755. The Board of Regents may act through any authorized agent in depositing or withdrawing any money in such an account.]~~ (Deleted by amendment.)

Sec. 7. ~~[1. The Board of Regents shall establish fiscal policies and procedures in connection with the operation of contractual or sponsored activities of the Veterans Policy and Leadership Institute, apart from those fiscal policies and procedures which are applicable to other branches or facilities of the System.~~

~~2. None of the other provisions of this chapter or the provisions of title 23 or 31 of NRS or any other statute relating to public officers and employees or public financial administration applies to the receipt, investment, management, disbursement, use, expenditure or accounting for any money or property received by the Board of Regents pursuant to section 4 of this act.~~

~~3. Any money received by or made available to the Board of Regents for the Veterans Policy and Leadership Institute is subject to all laws relating to public money and expenditures.] (Deleted by amendment.)~~

Sec. 8. Chapter 417 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *The Director shall, not later than August 1 of each year, prepare a report that provides an analysis of the funding of programs and services for veterans in this State. The report must include, without limitation:*

(a) *The amount and sources of money received by the Department for the provision of programs and services for veterans in this State;*

(b) *A comprehensive overview of the budget of the Department; and*

(c) *The expenditures made from the Gift Account for the Veterans Home in Southern Nevada, the Gift Account for the Veterans Home in Northern Nevada and the Gift Account for Veterans established pursuant to NRS 417.145.*

2. *The Director shall:*

(a) *Transmit a digital copy of the report to each veteran in this State for whom the Department has an electronic mail address of record; and*

(b) *Publish a digital copy of the report on the Internet website maintained by the Department.*

Sec. 9. NRS 417.0195 is hereby amended to read as follows:

417.0195 The Interagency Council on Veterans Affairs shall:

1. Identify and prioritize the needs of veterans and servicemen and servicewomen and their families in this State.

2. Study the coordination of the efforts of the Federal Government, State Government, local governments and private entities to meet the needs of veterans and servicemen and servicewomen and their families in this State.

3. ~~*Consult with the Veterans Policy and Leadership Institute, if established pursuant to section 2 of this act, when developing and analyzing data for any reports or recommendations that the Council is required to prepare and submit to the Governor and the Legislature.*~~

~~4.] *Develop and disseminate best practices for improving outcomes for veterans and servicemen and servicewomen and their families through policy recommendations at the state and local governmental levels.*~~

4. *Foster the development and dissemination of research and policy for improving outcomes for veterans and servicemen and servicewomen and their families.*

5. *Develop and administer a fellowship program to increase research on improving outcomes for veterans and servicemen and servicewomen and*

their families, including, without limitation, in the areas of education, employment and wellness. The program must include, without limitation, publication of peer-reviewed materials and an annual conference.

6. Cultivate leadership opportunities for veterans.

7. Develop models for outreach to and engagement of veterans.

8. On or before February 15 of each year, submit a report concerning the activities of the Council during the preceding calendar year, *including the annual report submitted to the Council by the Nevada Veterans Services Commission pursuant to NRS 417.190*, and any recommendations of the Council to the Governor and the Director of the Legislative Counsel Bureau for transmittal to:

(a) If the Legislature is in session, the standing committees of the Legislature which have jurisdiction of the subject matter; or

(b) If the Legislature is not in session, the Legislative Commission.

**Sec. 10.** ~~[NRS 417.090 is hereby amended to read as follows:~~

~~417.090 The Director and the Deputy Director shall:~~

~~1. Assist veterans, and those presently serving in the military and naval forces of the United States who are residents of the State of Nevada, their wives, widows, widowers, husbands, children, dependents, administrators, executors and personal representatives, in preparing, submitting and presenting any claim against the United States, or any state, for adjusted compensation, hospitalization, insurance, pension, disability compensation, vocational training, education or rehabilitation and assist them in obtaining any aid or benefit to which they may, from time to time, be entitled under the laws of the United States or of any of the states.~~

~~2. Aid, assist, encourage and cooperate with every nationally recognized service organization insofar as the activities of such organizations are for the benefit of veterans, servicemen and servicewomen.~~

~~3. Give aid, assistance and counsel to each and every problem, question and situation, individual as well as collective, affecting any veteran, serviceman or servicewoman, or their dependents, or any group of veterans, servicemen and servicewomen, when in their opinion such comes within the scope of this chapter.~~

~~4. Coordinate activities of veterans' organizations.~~

~~5. Serve as a clearinghouse and disseminate information relating to veterans' benefits.~~

~~6. Conduct any studies which will assist veterans to obtain compensation, hospitalization, insurance, pension, disability compensation, vocational training, education, rehabilitation or any other benefit to which veterans may be entitled under the laws of the United States or of any state.~~

~~7. Aid, assist and cooperate with the office of coordinator of services for veterans created in a county pursuant to NRS 244.401.~~

~~8. Pay to each county that creates the office of coordinator of services for veterans, from state money available to him or her, a portion of the cost of operating the office in an amount determined by the Director.~~

~~9. Take possession of any abandoned or unclaimed artifacts or other property that has military value for safekeeping. The Director or Deputy Director may transfer such property to a veterans' or military museum.~~

~~10. Consult with the Veterans Policy and Leadership Institute, if established pursuant to section 2 of this act, when developing and analyzing data for any reports or recommendations that the Department is required to prepare and submit to the Governor and the Legislature.] (Deleted by amendment.)~~

Sec. 11. ~~[NRS 417.145 is hereby amended to read as follows:~~

~~417.145 1. The Veterans Home Account is hereby established in the State General Fund:~~

~~2. Money received from:~~

~~(a) Payments made by the United States Department of Veterans Affairs for veterans who receive care in a veterans' home;~~

~~(b) Other payments for medical care and services;~~

~~(c) Appropriations made by the Legislature for veterans' homes;~~

~~(d) Federal grants and other money received pursuant to paragraph (c) of subsection 1 of NRS 417.147;~~

~~(e) Money collected pursuant to the schedule of rates established pursuant to subsection 2 of NRS 417.147 for occupancy of rooms at veterans' homes; and~~

~~(f) Except as otherwise provided in subsections 7 and 8, gifts of money and proceeds derived from the sale of gifts of personal property for the use of veterans' homes, if the use of those gifts has not been restricted by the donor, must be deposited with the State Treasurer for credit to the Veterans Home Account.~~

~~3. Interest and income must not be computed on the money in the Veterans Home Account.~~

~~4. The Veterans Home Account must be administered by the Director, with the advice of the administrators, and except as otherwise provided in paragraph (c) of subsection 1 of NRS 417.147, the money deposited in the Veterans Home Account may only be expended for:~~

~~(a) The establishment, management, maintenance and operation of veterans' homes;~~

~~(b) A program or service related to a veterans' home;~~

~~(c) The solicitation of other sources of money to fund a veterans' home; and~~

~~(d) The purpose of informing the public about issues concerning the establishment and uses of a veterans' home.~~

~~5. Except as otherwise provided in subsections 7 and 8, gifts of personal property for the use of veterans' homes:~~

~~(a) May be sold or exchanged if the sale or exchange is approved by the State Board of Examiners; or~~

~~(b) May be used in kind if the gifts are not appropriate for conversion to money.~~

~~6. All money in the Veterans Home Account must be paid out on claims approved by the Director as other claims against the State are paid.~~

~~7. The Gift Account for the Veterans Home in Southern Nevada is hereby established in the State General Fund. Gifts of money or personal property which the donor has restricted to one or more uses at the veterans' home in southern Nevada must be used only in the manner designated by the donor. Gifts of money which the donor has restricted to one or more uses at this veterans' home must be deposited with the State Treasurer for credit to the Gift Account for the Veterans Home in Southern Nevada. The interest and income earned on the money in the Gift Account for the Veterans Home in Southern Nevada, after deducting any applicable charges, must be credited to the Gift Account for the Veterans Home in Southern Nevada. Any money remaining in the Gift Account for the Veterans Home in Southern Nevada at the end of each fiscal year does not lapse to the State General Fund, but must be carried forward into the next fiscal year.~~

~~8. The Gift Account for the Veterans Home in Northern Nevada is hereby established in the State General Fund. Gifts of money or personal property which the donor has restricted to one or more uses at the veterans' home in northern Nevada must be used only in the manner designated by the donor. Gifts of money which the donor has restricted to one or more uses at this veterans' home must be deposited with the State Treasurer for credit to the Gift Account for the Veterans Home in Northern Nevada. The interest and income earned on the money in the Gift Account for the Veterans Home in Northern Nevada, after deducting any applicable charges, must be credited to the Gift Account for the Veterans Home in Northern Nevada. Any money remaining in the Gift Account for the Veterans Home in Northern Nevada at the end of each fiscal year does not lapse to the State General Fund, but must be carried forward into the next fiscal year.~~

~~9. The Gift Account for Veterans is hereby created in the State General Fund. The Director shall administer the Gift Account for Veterans. The money deposited in the Gift Account for Veterans pursuant to NRS 482.3764 may only be used for the support of outreach programs or services for veterans and their families, or both, as determined by the Director [.] **and for the Veterans Policy and Leadership Institute, if established pursuant to section 2 of this act.** The interest and income earned on the money in the Gift Account for Veterans, after deducting any applicable charges, must be credited to the Gift Account for Veterans. All money in the Gift Account for Veterans must be paid out on claims approved by the Director as other claims against the State are paid. Any money remaining in the Gift Account for Veterans at the end of each fiscal year does not lapse to the State General Fund, but must be carried forward into the next fiscal year.~~

~~[10. The Director shall, on or before August 1 of each year, prepare and submit to the Interim Finance Committee a report detailing the expenditures made from the Gift Account for the Veterans Home in Southern Nevada, the~~

~~Gift Account for the Veterans Home in Northern Nevada and the Gift Account for Veterans. (Deleted by amendment.)~~

**Sec. 12.** NRS 417.190 is hereby amended to read as follows:

417.190 The Nevada Veterans Services Commission shall:

1. Advise the Director and Deputy Director.

2. ~~Consult with the Veterans Policy and Leadership Institute, if established pursuant to section 2 of this act, when developing and analyzing data for any reports or recommendations that the Commission is required to prepare and submit to the Governor and the Legislature.~~

~~3. Prepare and submit a report, on or before November 1 of each year, to the Interagency Council on Veterans Affairs. The report must, without limitation:~~

*(a) Summarize the activities of the Commission during the preceding fiscal year.*

*(b) Make recommendations to the Governor, the Legislature, the Director and the Deputy Director regarding [aid or benefits] issues relating to veterans.*

**Sec. 13.** The provisions of subsection 1 of NRS 218D.380 do not apply to the reporting requirements of section 8 of this act and NRS 417.190, as amended by section 12 of this act.

**Sec. 14.** This act becomes effective on July 1, 2015.

Assemblyman Paul Anderson moved the adoption of the amendment.

Remarks by Assemblyman Paul Anderson.

ASSEMBLYMAN PAUL ANDERSON:

Assembly Bill 482 as amended requires the Director of the Department of Veterans' Services to prepare a report that provides an analysis of the funding of programs and services for veterans in the state. The bill requires transmission of a digital copy of the report to each veteran and the publication of the report on the Department's website.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Assembly Bill No. 483.

Bill read second time and ordered to third reading.

Assembly Bill No. 484.

Bill read second time.

The following amendment was proposed by the Committee on Ways and Means:

Amendment No. 969.

AN ACT relating to license plates; providing for the reissuance of new license plates by the Department of Motor Vehicles at certain intervals to replace existing license plates; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Under existing law, the Department of Motor Vehicles is required to furnish to every owner whose vehicle is required to be registered two license plates

for a motor vehicle other than a motorcycle and one license plate for all other vehicles, including, without limitation, a motorcycle, a trailer and certain farm tractors or self-propelled implements of husbandry. (NRS 482.265, 482.276) Existing law provides that, in addition to any other fee, the Department may by regulation impose a fee to defray the cost of issuing a license plate. (NRS 482.268) **Section 2** of this bill requires the Department to reissue a license plate or plates issued by the Department every 8 years, and authorizes the Director of the Department to provide procedures for such reissuance in regulations. **Section 1** of this bill provides for the reissuance of such a plate for a trailer with a 3-year registration period at the first renewal of registration that occurs after the existing plate has been issued for 8 years. (NRS 482.2065) **Section 6** of this bill requires the Department, at the time when a license plate or a set of plates is to be reissued, to include with the notification of renewal of registration for the plate or plates the amount of any fee to be charged for the reissuance. (NRS 482.280)

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

**Section 1.** NRS 482.2065 is hereby amended to read as follows:

482.2065 1. A trailer may be registered for a 3-year period as provided in this section.

2. A person who registers a trailer for a 3-year period must pay upon registration all fees and taxes that would be due during the 3-year period if he or she registered the trailer for 1 year and renewed that registration for 2 consecutive years immediately thereafter, including, without limitation:

(a) Registration fees pursuant to NRS 482.480 and 482.483.

(b) A fee for each license plate issued pursuant to NRS 482.268.

(c) Fees for the initial issuance, *reissuance* and renewal of a special license plate pursuant to NRS 482.265, if applicable.

(d) Fees for the initial issuance and renewal of a personalized prestige license plate pursuant to NRS 482.367, if applicable.

(e) Additional fees for the initial issuance and renewal of a special license plate issued pursuant to NRS 482.3667 to 482.3823, inclusive, which are imposed to generate financial support for a particular cause or charitable organization, if applicable.

(f) Governmental services taxes imposed pursuant to chapter 371 of NRS, as provided in NRS 482.260.

(g) The applicable taxes imposed pursuant to chapters 372, 374, 377 and 377A of NRS.

3. *A license plate issued pursuant to this section will be reissued as provided in NRS 482.265 except that such reissuance will be done at the first renewal after the license plate has been issued for not less than 8 years.*

4. As used in this section, the term “trailer” does not include a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483.

**Sec. 2.** NRS 482.265 is hereby amended to read as follows:



482.265 1. The Department shall furnish to every owner whose vehicle is registered two license plates for a motor vehicle other than a motorcycle and one license plate for all other vehicles required to be registered hereunder. Upon renewal of registration, the Department may issue one or more license plate stickers, tabs or other suitable devices in lieu of new license plates.

2. *Except as otherwise provided in NRS 482.2065, every 8 years the Department shall reissue a license plate or plates at the time of renewal of each license plate or plates issued pursuant to this chapter. The Director may adopt regulations to provide procedures for such reissuance.*

3. The Director shall have the authority to require the return to the Department of all number plates upon termination of the lawful use thereof by the owner under this chapter.

~~{3}~~ 4. Except as otherwise specifically provided by statute, for the issuance of each special license plate authorized pursuant to this chapter:

(a) The fee to be received by the Department for the initial issuance of the special license plate is \$35, exclusive of any additional fee which may be added to generate funds for a particular cause or charitable organization;

(b) The fee to be received by the Department for the renewal of the special license plate is \$10, exclusive of any additional fee which may be added to generate financial support for a particular cause or charitable organization; and

(c) The Department shall not design, prepare or issue a special license plate unless, within 4 years after the date on which the measure authorizing the issuance becomes effective, it receives at least 250 applications for the issuance of that plate.

~~{4}~~ 5. The provisions of subsection ~~{3}~~ 4 do not apply to NRS 482.37901.

**Sec. 3.** NRS 482.266 is hereby amended to read as follows:

482.266 1. A person who desires to have regular or personalized license plates that are substantially in the same color and form as license plates manufactured before January 1, 1982, must:

(a) Submit a written request for such license plates to the Department in a manner and form prescribed by the Department; and

(b) In addition to all other applicable registration fees, licensing fees and governmental services taxes, pay the manufacturing fee prescribed by the Department.

↪ A person requesting license plates pursuant to this section must comply with all requirements for registration and licensing pursuant to this chapter. A request for license plates pursuant to this section does not, by itself, constitute a request for special license plates pursuant to subsection ~~{3}~~ 4 of NRS 482.265.

2. After receiving a request and the full amount of the payment due for license plates requested pursuant to subsection 1, the Department shall manufacture the license plates using substantially the same process, dies and materials as were used to manufacture license plates before January 1, 1982. The Department shall deliver license plates requested pursuant to this section to a person who requests such license plates within 180 days after acceptance

of the written request or after receipt of payment therefor, whichever occurs last.

3. The Department shall:

(a) Prescribe, by regulation, a manner and form for submitting a written request pursuant to subsection 1. The form must include, without limitation, an indication of whether the requester desires to have the same letters and numbers on the license plates requested as are on the license plates that are registered to the requester at the time of the request.

(b) Determine the cost of manufacturing a license plate pursuant to this section and prescribe a manufacturing fee, which must not exceed \$25, to defray the cost of manufacturing license plates pursuant to this section. The manufacturing fee must be:

(1) Collected by the Department;

(2) Deposited with the State Treasurer to the credit of the State Highway Fund; and

(3) Allocated to the Revolving Account for the Issuance of Special License Plates created pursuant to NRS 482.1805 to defray the costs of manufacturing license plates pursuant to this section.

4. A person who requests license plates pursuant to this section may keep the license plates which are registered to him or her at the time of the request if the license plates requested contain the same letters and numbers as the license plates which are registered to the person at the time of the request.

**Sec. 4.** NRS 482.270 is hereby amended to read as follows:

482.270 1. Except as otherwise provided in this section or by specific statute, the Director shall order the redesign and preparation of motor vehicle license plates.

2. Except as otherwise provided in subsection 3, the Department ~~shall,~~ **may,** upon the payment of all applicable fees, issue redesigned motor vehicle license plates . ~~[pursuant to this section to persons who apply for the registration or renewal of the registration of a motor vehicle on or after January 1, 2001.]~~

3. The Department shall not issue redesigned motor vehicle license plates pursuant to this section to a person who was issued motor vehicle license plates before January 1, 1982, or pursuant to NRS 482.3747, 482.3763, ~~[482.3775, 482.378.]~~ 482.379 or 482.37901, without the approval of the person.

4. The Director may determine and vary the size, shape and form and the material of which license plates are made, but each license plate must be of sufficient size to be plainly readable from a distance of 100 feet during daylight. All license plates must be treated to reflect light and to be at least 100 times brighter than conventional painted number plates. When properly mounted on an unlighted vehicle, the license plates, when viewed from a vehicle equipped with standard headlights, must be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet.

5. Every license plate must have displayed upon it:

- (a) The registration number, or combination of letters and numbers, assigned to the vehicle and to the owner thereof;
- (b) The name of this State, which may be abbreviated;
- (c) If issued for a calendar year, the year; and
- (d) If issued for a registration period other than a calendar year, the month and year the registration expires.

6. Each special license plate that is designed, prepared and issued pursuant to NRS 482.367002 must be designed and prepared in such a manner that:

- (a) The left-hand one-third of the plate is the only part of the plate on which is displayed any design or other insignia that is suggested pursuant to paragraph (f) of subsection 2 of that section; and
- (b) The remainder of the plate conforms to the requirements for lettering and design that are set forth in this section.

**Sec. 5.** NRS 482.276 is hereby amended to read as follows:

482.276 Notwithstanding any provision of this chapter to the contrary:

1. Any agricultural user who wishes to obtain a license plate and decal to operate a farm tractor or self-propelled implement of husbandry on the highways of this State may submit an application to the Motor Carrier Division of the Department. Each application must be made upon the appropriate form furnished by the Department. The application must include a nonrefundable fee of \$20.50 and evidence satisfactory to the Department that the agricultural user is the holder of a policy of liability insurance which provides at least \$300,000 in coverage for bodily injury and property damage resulting from any single accident caused by the agricultural user while operating the farm tractor or self-propelled implement of husbandry. As soon as practicable after receiving the application, fee and evidence of insurance, the Department shall issue the license plate and decal to the agricultural user to affix to the farm tractor or self-propelled implement of husbandry. A decal issued pursuant to this subsection expires on December 31 of the year in which the Department issues the decal. The license plate and decal are not transferable and must be surrendered or returned to the Department within 60 days after:

- (a) A transfer of ownership or interest in the farm tractor or self-propelled implement of husbandry occurs; or
- (b) The decal expires pursuant to this subsection and the agricultural user fails to submit an application for renewal pursuant to subsection 2.

2. An application for the renewal of a license plate and decal issued pursuant to subsection 1 must be made upon the appropriate form furnished by the Department. The application for renewal must include a nonrefundable fee of \$10 and evidence satisfactory to the Department that the agricultural user is the holder of a policy of liability insurance specified in subsection 1. As soon as practicable after receiving the application for renewal, fee and evidence of insurance, the Department shall issue a new decal to affix to the license plate ~~or~~ *or a plate reissued pursuant to subsection 2 of NRS 482.265*. A decal issued pursuant to this subsection expires on December 31 of the year in which the Department issues the decal.

3. A license plate issued pursuant to subsection 1 must be displayed on the farm tractor or self-propelled implement of husbandry in such a manner that the license plate is easily visible from the rear of the farm tractor or self-propelled implement of husbandry. If the license plate is lost or destroyed, the Department may issue a replacement plate upon the payment of a fee of 50 cents. If the decal is lost or destroyed, the Department may, upon the payment of the fee specified in subsection 2, issue a replacement decal for the farm tractor or self-propelled implement of husbandry.

4. Notwithstanding any provision of chapter 445B of NRS to the contrary, an agricultural user is not required to obtain a certificate of compliance or vehicle inspection report concerning the control of emissions from a farm tractor or self-propelled implement of husbandry before obtaining a license plate and decal for or operating the farm tractor or self-propelled implement of husbandry pursuant to this section.

5. As used in this section, “agricultural user” means any person who owns or operates a farm tractor or self-propelled implement of husbandry specified in subsection 1 for an agricultural use. As used in this subsection, “agricultural use” has the meaning ascribed to it in NRS 361A.030.

**Sec. 6.** NRS 482.280 is hereby amended to read as follows:

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

2. A notification:

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

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

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

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

3. The Department shall include with each notification mailed pursuant to subsection 1:

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

(b) The amount set forth in a notice of nonpayment filed with the Department by a local authority pursuant to NRS 484B.527.

(c) A statement which informs the applicant:

(1) That, pursuant to NRS 485.185, the applicant is legally required to maintain insurance during the period in which the motor vehicle is registered which must be provided by an insurance company licensed by the Division of Insurance of the Department of Business and Industry and approved to do business in this State; and

(2) Of any other applicable requirements set forth in chapter 485 of NRS and any regulations adopted pursuant thereto.

(d) A statement which informs the applicant that, if the applicant renews a certificate of registration at a kiosk or via the Internet, he or she may make a nonrefundable monetary contribution of \$2 for each vehicle registration renewed for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The notification must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration.

*(e) Any amount due for reissuance of a license plate or a plate reissued pursuant to subsection 2 of NRS 482.265, if applicable.*

4. An application for renewal of a certificate of registration submitted at a kiosk or via the Internet must include a statement which informs the applicant that he or she may make a nonrefundable monetary contribution of \$2, for each vehicle registration which is renewed at a kiosk or via the Internet, for the Complete Streets Program, if any, created pursuant to NRS 244.2643, 277A.285 or 403.575, as applicable, based on the declaration made pursuant to paragraph (c) of subsection 3 of NRS 482.215. The application must state in a clear and conspicuous manner that a contribution for a Complete Streets Program is nonrefundable and voluntary and is in addition to any fees required for registration, and must include a method by which the applicant must indicate his or her intention to opt in or opt out of making such a contribution.

5. An owner who has made proper application for renewal of registration before the expiration of the current registration but who has not received the license plate or plates or card of registration for the ensuing period of registration is entitled to operate or permit the operation of that vehicle upon the highways upon displaying thereon the license plate or plates issued for the preceding period of registration for such a time as may be prescribed by the Department as it may find necessary for the issuance of the new plate or plates or card of registration.

**Sec. 7.** NRS 482.3667 is hereby amended to read as follows:

482.3667 1. The Department shall establish, design and otherwise prepare for issue personalized prestige license plates and shall establish all necessary procedures not inconsistent with this section for the application and issuance of such license plates.

2. The Department shall issue personalized prestige license plates, upon payment of the prescribed fee, to any person who otherwise complies with the laws relating to the registration and licensing of motor vehicles or trailers for use on private passenger cars, motorcycles, trucks or trailers, except that such plates may not be issued for a full trailer or semitrailer that is registered pursuant to subsection 3 of NRS 482.483.

3. Except as otherwise provided in NRS 482.2065, personalized prestige license plates are valid for 12 months and are renewable upon expiration. ~~These~~

**4. *Except as otherwise provided in subsection 6, personalized prestige license plates may be transferred from one vehicle or trailer to another if the transfer and registration fees are paid as set out in this chapter.***

~~4.~~ 5. In case of any conflict, the person who first made application for personalized prestige license plates and has continuously renewed them by payment of the required fee has priority.

~~5.~~ 6. The Department may limit by regulation the number of letters and numbers used, ~~and~~ prohibit the use of inappropriate letters or combinations of letters and numbers ~~.~~

~~6.~~ ***and prohibit the transfer of personalized prestige license plates from one vehicle or trailer to another if such a transfer would result in an inappropriate use of letters or combination of letters and numbers.***

7. The Department shall not assign to any person not holding the relevant office any letters and numbers denoting that the holder holds a public office.

**Sec. 8.** NRS 482.367008 is hereby amended to read as follows:

482.367008 1. As used in this section, “special license plate” means:

(a) A license plate that the Department has designed and prepared pursuant to NRS 482.367002 in accordance with the system of application and petition described in that section;

(b) A license plate approved by the Legislature that the Department has designed and prepared pursuant to NRS 482.3747, 482.37903, 482.37905, 482.37917, 482.379175, 482.37918, 482.37919, 482.3792, 482.3793, 482.37933, 482.37934, 482.37935, 482.379355, 482.379365, 482.37937, 482.379375, 482.37938 or 482.37945; and

(c) Except for a license plate that is issued pursuant to NRS 482.3757, 482.3785, 482.3787 or 482.37901, a license plate that is approved by the Legislature after July 1, 2005.

2. Notwithstanding any other provision of law to the contrary, and except as otherwise provided in subsection 3, the Department shall not, at any one time, issue more than 30 separate designs of special license plates. Whenever the total number of separate designs of special license plates issued by the Department at any one time is less than 30, the Department shall issue a number of additional designs of special license plates that have been authorized by an act of the Legislature or the application for which has been recommended by the Commission on Special License Plates to be approved by the Department pursuant to subsection 5 of NRS 482.367004, not to exceed

a total of 30 designs issued by the Department at any one time. Such additional designs must be issued by the Department in accordance with the chronological order of their authorization or approval by the Department.

3. In addition to the special license plates described in subsection 2, the Department may issue not more than five separate designs of special license plates in excess of the limit set forth in that subsection. To qualify for issuance pursuant to this subsection:

(a) The Commission on Special License Plates must have recommended to the Department that the Department approve the design, preparation and issuance of the special plates as described in paragraphs (a) and (b) of subsection 5 of NRS 482.367004; and

(b) The special license plates must have been applied for, designed, prepared and issued pursuant to NRS 482.367002, except that:

(1) The application for the special license plates must be accompanied by a surety bond posted with the Department in the amount of \$20,000; and

(2) Pursuant to the assessment of the viability of the design of the special license plates that is conducted pursuant to this section, it is determined that at least 3,000 special license plates have been issued.

4. Except as otherwise provided in this subsection, on October 1 of each year the Department shall assess the viability of each separate design of special license plate that the Department is currently issuing by determining the total number of validly registered motor vehicles to which that design of special license plate is affixed. The Department shall not determine the total number of validly registered motor vehicles to which a particular design of special license plate is affixed if:

(a) The particular design of special license plate was designed and prepared by the Department pursuant to NRS 482.367002; and

(b) On October 1, that particular design of special license plate has been available to be issued for less than 12 months.

5. If, on October 1, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:

(a) In the case of special license plates not described in subsection 3, less than 1,000; or

(b) In the case of special license plates described in subsection 3, less than 3,000,

↪ the Director shall provide notice of that fact in the manner described in subsection 6.

6. The notice required pursuant to subsection 5 must be provided:

(a) If the special license plate generates financial support for a cause or charitable organization, to that cause or charitable organization.

(b) If the special license plate does not generate financial support for a cause or charitable organization, to an entity which is involved in promoting the activity, place or other matter that is depicted on the plate.

7. If, on December 31 of the same year in which notice was provided pursuant to subsections 5 and 6, the total number of validly registered motor vehicles to which a particular design of special license plate is affixed is:

(a) In the case of special license plates not described in subsection 3, less than 1,000; or

(b) In the case of special license plates described in subsection 3, less than 3,000,

→ the Director shall, notwithstanding any other provision of law to the contrary, issue an order providing that the Department will no longer issue that particular design of special license plate. ~~[Such]~~ ***Except as otherwise provided in subsection 2 of NRS 482.265, such*** an order does not require existing holders of that particular design of special license plate to surrender their plates to the Department and does not prohibit those holders from renewing those plates.

**Sec. 9.** NRS 482.3757 is hereby amended to read as follows:

482.3757 1. Except as otherwise provided in this section, the Department shall design, prepare and issue license plates honoring peace officers who have received a medal specified in subsection 3, or the equivalent thereof.

2. Each person who qualifies for special license plates pursuant to this section may apply for not more than two sets of plates. If the person applies for a second set of plates for an additional vehicle, the second set of plates must have a different number than the first set of plates issued to the person. Special license plates issued pursuant to this section may be used only on a private passenger vehicle, a noncommercial truck or a motor home.

3. The Department shall issue specially designed license plates for any person qualified pursuant to this section who submits an application on a form prescribed by the Department and evidence satisfactory to the Department that the person is:

(a) A current or former peace officer who has received one or more of the following medals, or the equivalent thereof, for his or her service as a peace officer:

- (1) The Medal of Honor;
- (2) The Purple Heart;
- (3) The Medal of Valor;
- (4) The Lifesaving Medal;
- (5) The Meritorious Service Medal; or
- (6) The Distinguished Service Medal; or

(b) A family member of a person who was:

- (1) Killed in the line of duty while serving as a peace officer; and
- (2) Awarded posthumously the Medal of Honor, or the equivalent thereof, for his or her actions as a peace officer.

4. A qualifying event described in subsection 3 that entitles a person to special license plates issued pursuant to the provisions of this section is a



qualifying event regardless of whether the event occurs or occurred before, on or after July 1, 2013.

5. If, during a registration year, the holder of a set of special license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

6. Except as otherwise provided in this subsection ~~and~~ *and NRS 482.265*, no fee in addition to the applicable registration and license fees and governmental services taxes may be charged for the issuance or renewal of a set of special license plates pursuant to this section. If the special plates issued pursuant to this section are lost, stolen or mutilated, the owner of the vehicle may secure a set of replacement license plates from the Department for ~~a fee of \$5.00~~ *the fee required pursuant to NRS 482.268*.

7. As used in this section:

(a) "Family member" means a widow, widower, parent, stepparent, grandparent, child, stepchild, dependent, sibling, half sibling or stepsibling.

(b) "Killed in the line of duty while serving as a peace officer" includes peace officers who:

(1) Are killed directly in the line of duty; and

(2) Die as a result of injuries sustained in the line of duty.

(c) "Peace officer" means any person upon whom some or all of the powers of a peace officer are conferred pursuant to NRS 289.150 to 289.360, inclusive.

**Sec. 10.** NRS 482.3775 is hereby amended to read as follows:

482.3775 1. A veteran of the Armed Forces of the United States who was awarded the Purple Heart is entitled to specially designed license plates which indicate that the veteran is a recipient of the Purple Heart.

2. Each person who qualifies for special license plates pursuant to this section may apply for not more than two sets of plates. If the person applies for a second set of plates for an additional vehicle, the second set of plates must have a different number than the first set of plates issued to the same applicant. Special license plates issued pursuant to this section may be used only on a private passenger vehicle, a noncommercial truck or a motor home.

3. The Department shall issue specially designed license plates for any person qualified pursuant to this section who submits an application on a form prescribed by the Department and evidence of his or her status as a recipient of the Purple Heart as required by the Department. The Department may designate any appropriate colors for the special plates.

4. If, during a registration year, the holder of a set of special license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

5. Except as otherwise provided in this subsection ~~§~~ *and NRS 482.265*, no fee in addition to the applicable registration and license fees and governmental services taxes may be charged for the issuance or renewal of a set of special license plates pursuant to this section. If the special plates issued pursuant to this section are lost, stolen or mutilated, the owner of the vehicle may secure a set of replacement license plates from the Department for ~~a fee of \$5.~~ *the fee required pursuant to NRS 482.268.*

**Sec. 11.** NRS 482.3785 is hereby amended to read as follows:

482.3785 1. Each family member of a person killed in the line of duty while on active duty in the Armed Forces of the United States is entitled to specially designed license plates which indicate that the person is a family member of a person killed in the line of duty while on active duty in the Armed Forces of the United States.

2. Each person who qualifies for special license plates pursuant to this section may apply for not more than two sets of plates. If the person applies for a second set of plates for an additional vehicle, the second set of plates must have a different number than the first set of plates issued to the same applicant. Special license plates issued pursuant to this section may be used only on a private passenger vehicle, a noncommercial truck or a motor home.

3. The Department shall issue specially designed license plates for any person qualified pursuant to this section who submits an application on a form prescribed by the Department and evidence satisfactory to the Department that the person is a family member of a person killed in the line of duty while on active duty in the Armed Forces of the United States. The Department may designate any appropriate colors for the special plates, but must ensure that the design of the plates includes a gold star.

4. If, during a registration year, the holder of a set of special license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

5. Except as otherwise provided in this subsection ~~§~~ *and NRS 482.265*, no fee in addition to the applicable registration and license fees and governmental services taxes may be charged for the issuance or renewal of a set of special license plates pursuant to this section. If the special plates issued pursuant to this section are lost, stolen or mutilated, the owner of the vehicle

may secure a set of replacement license plates from the Department for ~~the fee of \$5.~~ ***the fee required pursuant to NRS 482.268.***

6. As used in this section:

(a) "Family member" means a widow, widower, parent, stepparent, grandparent, child, stepchild, dependent, sibling, half sibling or stepsibling.

(b) "Killed in the line of duty while on active duty in the Armed Forces of the United States" includes persons killed directly in the line of duty and persons who die as a result of injuries sustained in the line of duty.

**Sec. 12.** NRS 482.3787 is hereby amended to read as follows:

482.3787 1. Each family member of a person who died as a result of injuries sustained while on active duty in the Armed Forces of the United States is entitled to specially designed license plates which indicate that the person is a family member of a person who died as a result of injuries sustained while on active duty in the Armed Forces of the United States.

2. Each person who qualifies for special license plates pursuant to this section may apply for not more than two sets of plates. If the person applies for a second set of plates for an additional vehicle, the second set of plates must have a different number than the first set of plates issued to the same applicant. Special license plates issued pursuant to this section may be used only on a private passenger vehicle, a noncommercial truck or a motor home.

3. The Department shall issue specially designed license plates for any person qualified pursuant to this section who submits an application on a form prescribed by the Department and evidence satisfactory to the Department that the person is a family member of a person who died as a result of injuries sustained while on active duty in the Armed Forces of the United States. The Department may designate any appropriate colors for the special plates.

4. If, during a registration year, the holder of a set of special license plates issued pursuant to the provisions of this section disposes of the vehicle to which the plates are affixed, the holder shall:

(a) Retain the plates and affix them to another vehicle which meets the requirements of this section and report the change to the Department in accordance with the procedure set forth for other transfers; or

(b) Within 30 days after removing the plates from the vehicle, return them to the Department.

5. Except as otherwise provided in this subsection ~~and~~ ***and NRS 482.265***, no fee in addition to the applicable registration and license fees and governmental services taxes may be charged for the issuance or renewal of a set of special license plates pursuant to this section. If the special plates issued pursuant to this section are lost, stolen or mutilated, the owner of the vehicle may secure a set of replacement license plates from the Department for ~~the fee of \$5.~~ ***the fee required pursuant to NRS 482.268.***

6. As used in this section:

(a) "Died as a result of injuries sustained while on active duty in the Armed Forces of the United States" includes persons who die as a result of an injury

sustained while on active duty whether or not the person had been discharged from military service at the time of his or her death.

(b) “Family member” means a widow, widower, parent, stepparent, grandparent, child, stepchild, dependent, sibling, half sibling or stepsibling.

**Sec. 13.** NRS 482.3825 is hereby amended to read as follows:

482.3825 1. The Director may order the design and preparation of souvenir license plates which are easily distinguishable in design or color from regular license plates. The Director may establish a fee for the issuance of such plates of not more than \$15 per plate. The Department may issue more than one plate of any particular design.

2. All money collected from the issuance of souvenir license plates must be deposited in the State Treasury for credit to the ~~Motor Vehicle Fund.~~ **License Plate Production Account created by NRS 482.268.**

3. As used in this section, “issuance” does not include the resale of a souvenir license plate as authorized pursuant to paragraph (a) of subsection 1 of NRS 482.3824.

**Sec. 14.** ~~[This act becomes effective.]~~

1. **This section and sections 3, 4, 7 and 9 to 13, inclusive, of this act become effective upon passage and approval; and**

**2. Sections 1, 2, 5, 6 and 8 of this act become effective:**

**(a)** On July 1, 2015, for the purpose of adopting regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

~~2.~~ **(b)** On July 1, 2016, for all other purposes.

Assemblyman Hickey moved the adoption of the amendment.

Remarks by Assemblyman Hickey.

ASSEMBLYMAN HICKEY:

Assembly Bill 484 as amended revises Chapter 482 of the *Nevada Revised Statutes* to require the Department of Motor Vehicles to reissue a license plate or plates issued by the Department every eight years. Assembly Bill 484 as amended allows for the reissuance of a license plate, as well, for a trailer with a three-year registration period at the first renewal of registration that occurs after the existing license plate has been issued for eight years. Assembly Bill 484 as amended also requires the Department of Motor Vehicles, at the time when a license plate or plates are to be reissued, to include with the notification of registration renewal the amount of any fee to be charged for the reissuance of the license plate or plates.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 24.

Bill read second time and ordered to third reading.

Senate Bill No. 170.

Bill read second time.

The following amendment was proposed by the Committee on Taxation:

Amendment No. 815.

AN ACT relating to economic development; authorizing a person who locates or expands a data center in this State to apply to the Office of Economic Development for a partial abatement of certain property taxes and local sales and use taxes; establishing criteria by which a data center may qualify for such a partial abatement; establishing the maximum duration and percentage of such partial abatements; requiring the Office to approve an application for a partial abatement if the applicant meets the criteria for eligibility; authorizing the Office to approve a partial abatement of taxes for certain qualified businesses that collocate with a data center for which a partial abatement has been approved; revising provisions governing eligibility for a partial abatement of certain property taxes and sales and use taxes for a data center that is or will be located in a historically underutilized business zone, a redevelopment area, an area eligible for a community development block grant or an enterprise community; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing law authorizes the Office of Economic Development to grant a partial abatement of property taxes, business taxes and sales and use taxes to a business that locates or expands in this State and meets certain qualifications for the abatement. (NRS 274.310, 274.320, 360.750, 361.0687, 363B.120, 374.357, 701A.210) **Section 1** of this bill authorizes the Office of Economic Development to grant a partial abatement of property taxes and local sales and use taxes to a data center that locates or expands in this State and meets certain qualifications. **Section 1** establishes the criteria by which a data center must demonstrate eligibility for a partial abatement, including requirements concerning the number of full-time employees ~~[that must be]~~ employed by a data center **who must be residents of Nevada** and minimum requirements for capital investment. If the Office of Economic Development approves a partial abatement for a data center, **section 1** authorizes the Office of Economic Development to grant the same partial abatement to certain businesses that collocate with the data center. **Section 5** of this bill specifies that the amount of the abatement must not exceed 75 percent of the amount of personal property taxes payable by a data center for eligible equipment and machinery located in the data center. **Section 6** of this bill specifies the duration of the partial abatement applicable to the local sales and use taxes otherwise payable by a data center for eligible equipment and machinery located in the data center. **Section 10.5 of this bill provides that any such abatement of the local sales and use taxes must not include, for Fiscal Year 2015-2016, an abatement of the local school support tax.**

**Section ~~6~~ 1** prohibits the Office of Economic Development from approving any abatements pursuant to the provisions of **sections 1-6, 7-9 and 10-12** of this bill on or after January 1, 2036, but, pursuant to **section 13** of this bill, the provisions of **sections 1-6, 7-9 and 10-12** will remain effective until December 31, 2056, so that the Office of Economic Development and the Department of Taxation may continue to administer the law with regard to any

abatements approved pursuant to the provisions of this bill and in effect on January 1, 2036.

Existing law authorizes the Office of Economic Development to grant, for a period of at least 1 year but not more than 5 years, a partial abatement of property taxes and sales and use taxes to an eligible business that is or will be located in a historically underutilized business zone, a redevelopment area, an area eligible for a community development block grant or an enterprise community. Under existing law, a data center that locates in such an area is eligible for such partial abatements for a period of at least 1 year but not more than 15 years. (NRS 274.310, 274.320, 274.330, 374.358) **Sections 6.5, 9.3-9.7 and 12.5** of this bill delete the provisions which apply specifically to a data center which is or will be located in a historically underutilized business zone, a redevelopment area, an area eligible for a community development block grant or an enterprise community.

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

**Section 1.** Chapter 360 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the new or expanded data center pursuant to chapter 361 or 374 of NRS.*

*2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:*

*(a) The application is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053 and any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.*

*(b) The applicant has executed an agreement with the Office of Economic Development which must:*

*(1) Comply with the requirements of NRS 360.755;*

*(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office of Economic Development, which must not be earlier than the date on which the Office received the application;*

*(3) State that the data center will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office of Economic Development, which must be at least 10 years, and will continue to meet the eligibility requirements set forth in this subsection; and*

*(4) Bind the successors in interest of the applicant for the specified period.*

(c) *The applicant is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by each county, city or town in which the data center operates.*

(d) *If the applicant is seeking a partial abatement for a period of not more than 10 years, the applicant meets the following requirements:*

(1) *The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added ~~25~~ 10 or more full-time employees who are residents of Nevada and who will be employed at the data center and will continue to employ ~~25~~ 10 or more full-time employees who are residents of Nevada at the data center until at least the date which is 10 years after the date on which the abatement becomes effective.*

(2) *Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make ~~5~~ in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least ~~\$50,000,000 in this State~~ \$25,000,000 in capital assets that will be used or located at the data center.*

(3) *The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:*

(I) *The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and*

(II) *The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection ~~10,~~ 12.*

(4) *At least 50 percent of the employees engaged or anticipated to be engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.*

(e) *If the applicant is seeking a partial abatement for a period of 10 years or more but not more than 20 years, the applicant meets the following requirements:*

(1) *The data center will, by not later than the date that is 5 years after the date on which the abatement becomes effective, have or have added 50 or more full-time employees who are residents of Nevada and who will be*

employed at the data center and will continue to employ 50 or more full-time employees who are residents of Nevada at the data center until at least the date which is 20 years after the date on which the abatement becomes effective.

(2) Establishing or expanding the data center will require the data center or any combination of the data center and one or more colocated businesses to make ~~at least~~ at least one in each county in this State in which the data center is located, by not later than the date which is 5 years after the date on which the abatement becomes effective, a cumulative capital investment of at least \$100,000,000 ~~in this State~~ in capital assets that will be used or located at the data center.

(3) The average hourly wage that will be paid by the data center to its employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection ~~10.12.~~

(4) At least 50 percent of the employees engaged or anticipated to be engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.

(f) The applicant has provided in the application an estimate of the total number of new employees which the data center anticipates hiring in this State if the Office of Economic Development approves the application.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall not consider an application for a partial abatement pursuant to this section unless the Office of Economic Development has requested a letter of acknowledgment of the request for the abatement from each affected county, school district, city or town.

(b) Shall consider the level of health care benefits provided to employees employed at the data center, the projected economic impact of the data center and the projected tax revenue of the data center after deducting projected revenue from the abated taxes.



(c) *May, if the Office of Economic Development determines that such action is necessary:*

(1) *Approve an application for a partial abatement pursuant to this section by a data center that does not meet the requirements set forth in paragraph (d) or (e) of subsection 2;*

(2) *Make the requirements set forth in paragraph (d) and (e) of subsection 2 more stringent; or*

(3) *Add additional requirements that an applicant must meet to qualify for a partial abatement pursuant to this section.*

4. *If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:*

(a) *The Department;*

(b) *The Nevada Tax Commission; and*

(c) *If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of each county in which the data center is or will be located.*

5. *If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a state business license issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection 7 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to the list to the Department and the county treasurer of each affected county.*

6. An applicant for a partial abatement pursuant to this section or a data center whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

7. If a data center whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

↳ the data center shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the abatement that was allowed pursuant to this section before the failure of the data center to comply unless the Nevada Tax Commission determines that the data center has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the data center shall, in addition to the amount of the abatement required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

8. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 5 or 7 in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

9. An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

10. For an employee to be considered a resident of Nevada for the purposes of this section, a data center must maintain the following documents in the personnel file of the employee:

(a) A copy of the current and valid Nevada driver's license of the employee or a current and valid identification card for the employee issued by the Department of Motor Vehicles;

(b) If the employee is a registered owner of one or more motor vehicles in Nevada, a copy of the current motor vehicle registration of at least one of those vehicles;

(c) Proof that the employee is a full-time employee; and

(d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (I) of

subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of subsection 2.

11. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in sub-paragraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

12. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of health care benefits that a data center must provide to its employees to meet the requirement set forth in paragraph (d) or (e) of subsection 2;

(b) May adopt such other regulations as the Office determines to be necessary to carry out the provisions of this section; and

(c) Shall not approve any application for a partial abatement submitted pursuant to this section which is received on or after January 1, 2036.

~~11.~~ 13. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment necessary to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a data center is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section.

~~12.~~ 14. As used in this section, unless the context otherwise requires:

(a) “Colocated business” means a person who enters into a contract with a data center that is qualified to receive an abatement pursuant to this section to use or occupy all or part of the data center.

(b) “Data center” means one or more buildings located at one or more physical locations in this State which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(c) “Full-time employee” means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in paragraph (d) or (e) of subsection 2.

Sec. 2. NRS 360.225 is hereby amended to read as follows:

360.225 1. During the course of an investigation undertaken pursuant to NRS 360.130 of a person claiming:

(a) A partial abatement of property taxes pursuant to NRS 361.0687;

- (b) An exemption from taxes pursuant to NRS 363B.120;
- (c) A deferral of the payment of taxes on the sale of eligible property pursuant to NRS 372.397 or 374.402;
- (d) An abatement of taxes on the gross receipts from the sale, storage, use or other consumption of eligible machinery or equipment pursuant to NRS 374.357;
- (e) A partial abatement of taxes pursuant to NRS 360.752; ~~for~~
- (f) ***A partial abatement of taxes pursuant to section 1 of this act; or***
- (g) An abatement of taxes pursuant to NRS 360.950,

↪ the Department shall investigate whether the person meets the eligibility requirements for the abatement, partial abatement, exemption or deferral that the person is claiming.

2. If the Department finds that the person does not meet the eligibility requirements for the abatement, exemption or deferral which the person is claiming, the Department shall report its findings to the Office of Economic Development and take any other necessary actions.

**Sec. 3.** NRS 360.755 is hereby amended to read as follows:

360.755 1. If the Office of Economic Development approves an application by a business for an abatement of taxes pursuant to NRS 360.950 or a partial abatement pursuant to NRS 360.750 or 360.752 ~~for~~ ***or section 1 of this act***, the agreement with the Office must provide that the business:

(a) Agrees to allow the Department to conduct audits of the business to determine whether the business is in full compliance with the requirements for the abatement or partial abatement; and

(b) Consents to the disclosure of the audit reports in the manner set forth in this section.

2. If the Department conducts an audit of the business to determine whether the business is in full compliance with the requirements for the abatement or partial abatement, the Department shall, upon request, provide the audit report to the Office of Economic Development.

3. Until the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit, the information contained in the audit report provided to the Office of Economic Development:

(a) Is confidential proprietary information of the business;

(b) Is not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

4. After the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit:

(a) The audit report provided to the Office of Economic Development is a public record; and

(b) Upon request by any person, the Executive Director of the Office of Economic Development shall disclose the audit report to the person who made

the request, except for any information in the audit report that is protected from disclosure pursuant to subsection 5.

5. Before the Executive Director of the Office of Economic Development discloses the audit report to the public, the business may submit a request to the Executive Director to protect from disclosure any information in the audit report which, under generally accepted business practices, would be considered a trade secret or other confidential proprietary information of the business. After consulting with the business, the Executive Director shall determine whether to protect the information from disclosure. The decision of the Executive Director is final and is not subject to judicial review. If the Executive Director determines to protect the information from disclosure, the protected information:

- (a) Is confidential proprietary information of the business;
- (b) Is not a public record;
- (c) Must be redacted by the Executive Director from any audit report that is disclosed to the public; and
- (d) Must not be disclosed to any person who is not an officer or employee of the Office of Economic Development unless the business consents to the disclosure.

**Sec. 4.** NRS 360.757 is hereby amended to read as follows:

360.757 1. The Office of Economic Development shall not take any action on an application for any abatement of taxes pursuant to NRS 274.310, 274.320, 274.330 or 360.750 *or section 1 of this act* or any other specific statute unless the Office:

- (a) Takes that action at a public meeting conducted for that purpose; and
- (b) At least 30 days before the meeting, provides notice of the application to:

- (1) The governing body of the county, the board of trustees of the school district and the governing body of the city or town, if any, in which the pertinent business is or will be located;

- (2) The governing body of any other political subdivision that could be affected by the abatement; and

- (3) The general public.

2. The notice required by this section must set forth the date, time and location of the meeting at which the Office of Economic Development will consider the application.

3. The Office of Economic Development shall adopt regulations relating to the notice required by this section.

**Sec. 5.** Chapter 361 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. A person who intends to locate or expand a data center in this State may, pursuant to section 1 of this act, apply to the Office of Economic Development for a partial abatement from the taxes imposed by this chapter on personal property located at the data center.*

2. *If a partial abatement from the taxes imposed by this chapter on personal property located at the data center is approved by the Office of Economic Development pursuant to section 1 of this act:*

*(a) The partial abatement must:*

*(1) For an applicant seeking an abatement pursuant to paragraph (d) of subsection 2 of section 1 of this act:*

*(I) Be for a duration of at least 1 year but not more than 10 years; and*

*(II) Not exceed 75 percent of the taxes payable by the data center each year pursuant to this chapter on personal property located at the data center;*

*(2) For an applicant seeking an abatement pursuant to paragraph (e) of subsection 2 of section 1 of this act:*

*(I) Be for a duration of at least 10 years but not more than 20 years; and*

*(II) Not exceed 75 percent of the taxes payable by the data center each year pursuant to this chapter on personal property located at the data center; and*

*(3) Be administered and carried out in the manner set forth in section 1 of this act.*

*(b) The Executive Director of the Office of Economic Development shall notify the county assessor of each county in which the data center is located of the approval of the partial abatement, including, without limitation, the duration and percentage of the partial abatement that the Office granted and the applicability of the partial abatement to any colocated business. The Executive Director shall, on or before April 15 of each year, advise the county assessor of each county in which a data center qualifies for a partial abatement during the current fiscal year as to whether the data center or any colocated business is still eligible for the partial abatement in the next succeeding fiscal year.*

3. *As used in this section:*

*(a) “Colocated business” has the meaning ascribed to it in section 1 of this act.*

*(b) “Data center” has the meaning ascribed to it in section 1 of this act.*

**Sec. 6.** Chapter 374 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *A person who intends to locate or expand a data center in this State may, pursuant to section 1 of this act, apply to the Office of Economic Development for a partial abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use at a data center which has been approved for a partial abatement pursuant to section 1 of this act.*

2. *If an application for a partial abatement is approved:*

(a) For an applicant seeking an abatement pursuant to paragraph (d) of subsection 2 of section 1 of this act, the data center and any colocated business is eligible for an abatement from the tax imposed by this chapter for a period of not more than 10 years.

(b) For an applicant seeking an abatement pursuant to paragraph (e) of subsection 2 of section 1 of this act, the data center and any colocated business is eligible for an abatement from the tax imposed by this chapter for a period of not more than 20 years.

(c) The abatement must be administered and carried out in the manner set forth in section 1 of this act.

3. As used in this section:

(a) "Colocated business" has the meaning ascribed to it in section 1 of this act.

(b) "Data center" has the meaning ascribed to it in section 1 of this act.

(c) "Eligible machinery or equipment" means machinery or equipment ~~for which a deduction is authorized pursuant to 26 U.S.C. § 179.~~ necessary to and specifically related to the business of the data center or colocated business. The term does not include vehicles, buildings or the structural components of buildings.

Sec. 6.5. NRS 374.358 is hereby amended to read as follows:

374.358 1. A person who maintains a business or intends to locate a business in a historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 in this State may, pursuant to the applicable provisions of NRS 274.310, 274.320 or 274.330, apply to the Office of Economic Development for an abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use by a business which has been approved for an abatement pursuant to NRS 274.310, 274.320 or 274.330.

2. If an application for an abatement is approved pursuant to NRS 274.310, 274.320 or 274.330:

(a) The taxpayer is eligible for an abatement from the tax imposed by this chapter for [:

~~(1) Except as otherwise provided in subparagraph (2),] a duration of not less than 1 year but not more than 5 [years; or~~

~~(2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective, a minimum of \$100,000,000 in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597, a duration of not less than 1 year but not more than 15] years.~~

(b) The abatement must be administered and carried out in the manner set forth in the applicable provisions of NRS 274.310, 274.320 or 274.330.

3. As used in this section, unless the context otherwise requires ~~the~~:

~~(a) “Data center” has the meaning ascribed to it in NRS 274.025.~~

~~(b) “Eligible” , “eligible machinery or equipment” means machinery or equipment for which a deduction is authorized pursuant to 26 U.S.C. § 179.~~

The term does not include:

- (1) Buildings or the structural components of buildings;
- (2) Equipment used by a public utility;
- (3) Equipment used for medical treatment;
- (4) Machinery or equipment used in mining; or
- (5) Machinery or equipment used in gaming.

**Sec. 7.** NRS 218D.355 is hereby amended to read as follows:

218D.355 1. Except as otherwise provided in NRS 360.965 ~~and~~ **and section 1 of this act**, any state legislation enacted on or after July 1, 2012, which authorizes or requires the Office of Economic Development to approve any abatement of taxes or increases the amount of any abatement of taxes which the Office is authorized or required to approve:

(a) Expires by limitation 10 years after the effective date of that legislation.

(b) Does not apply to:

- (1) Any taxes imposed pursuant to NRS 374.110 or 374.190; or
- (2) Any entity that receives:

(I) Any funding from a governmental entity, other than any private activity bonds as defined in 26 U.S.C. § 141; or

(II) Any real or personal property from a governmental entity at no cost or at a reduced cost.

(c) Requires each recipient of the abatement to submit to the Department of Taxation, on or before the last day of each even-numbered year, a report on whether the recipient is in compliance with the terms of the abatement. The Department of Taxation shall establish a form for the report and may adopt such regulations as it determines to be appropriate to carry out this paragraph.

The report must include, without limitation:

- (1) The date the recipient commenced operation in this State;
- (2) The number of employees actually employed by the recipient and the average hourly wage of those employees;
- (3) An accounting of any fees paid by the recipient to the State and to local governmental entities;
- (4) An accounting of the property taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;
- (5) An accounting of the sales and use taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;
- (6) An accounting of the total capital investment made in connection with the project to which the abatement applies; and
- (7) An accounting of the total investment in personal property made in connection with the project to which the abatement applies.



2. On or before January 15 of each odd-numbered year, the Department of Taxation shall:

(a) Based upon the information submitted to the Department of Taxation pursuant to paragraph (c) of subsection 1, prepare a written report of its findings regarding whether the costs of the abatement exceed the benefits of the abatement; and

(b) Submit the report to the Director for transmittal to the Legislature.

**Sec. 8.** NRS 231.0685 is hereby amended to read as follows:

231.0685 The Office shall, on or before January 15 of each odd-numbered year, prepare and submit to the Director of the Legislative Counsel Bureau for transmission to the Legislature a report concerning the abatements from taxation that the Office approved pursuant to NRS 274.310, 274.320, 274.330, 360.750 or 360.752 ~~[-]~~ **or section 1 of this act.** The report must set forth, for each abatement from taxation that the Office approved during the fiscal years which are 3 fiscal years and 6 fiscal years immediately preceding the submission of the report:

1. The dollar amount of the abatement;
2. The location of the business for which the abatement was approved;
3. The value of infrastructure included as an incentive for the business;
4. If applicable, the number of employees that the business for which the abatement was approved employs or will employ;
5. Whether the business for which the abatement was approved is a new business or an existing business;
6. The economic sector in which the business operates, the number of primary jobs related to the business, the average wage paid to employees of the business and the assessed values of personal property and real property of the business; and

7. Any other information that the Office determines to be useful.

**Sec. 9.** NRS 231A.170 is hereby amended to read as follows:

231A.170 1. For the purpose of NRS 231A.110, a qualified active low-income community business is limited to those businesses meeting the Small Business Administration size eligibility standards established in 13 C.F.R. §§ 121.101 to 201, inclusive, at the time the qualified low-income community investment is made. A business must be considered a qualified active low-income community business for the duration of the qualified community development entity's investment in, or loan to, the business if the entity reasonably expects, at the time it makes the investment or loan, that the business will continue to satisfy the requirements for being a qualified active low-income community business, other than the Small Business Administration size standards, throughout the entire period of the investment or loan.

2. Except as otherwise provided in this subsection, the businesses limited by this section do not include any business that derives or projects to derive 15 percent or more of its annual revenue from the rental or sale of real estate. This

exclusion does not apply to a business that is controlled by, or under common control with, another business if the second business:

(a) Does not derive or project to derive 15 percent or more of its annual revenue from the rental or sale of real estate; and

(b) Is the primary tenant of the real estate leased from the first business.

3. The following businesses are not qualified active low-income community businesses:

(a) A business that has received an abatement from taxation pursuant to NRS 274.310, 274.320, 274.330 or 360.750 ~~[-]~~ or *section 1 of this act*.

(b) An entity that has liability for insurance premium tax on a premium tax report filed pursuant to NRS 680B.030.

(c) A business engaged in banking or lending.

(d) A massage parlor.

(e) A bath house.

(f) A tanning salon.

(g) A country club.

(h) A business operating under a nonrestricted license for gaming issued pursuant to NRS 463.170.

(i) A liquor store.

(j) A golf course.

**Sec. 9.3.** NRS 274.310 is hereby amended to read as follows:

274.310 1. A person who intends to locate a business in this State within:

(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to chapter 279 of NRS;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597, ↪ may submit a request to the governing body of the county, city or town in which the business would operate for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 or 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business would operate. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit

the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

(1) Commence operation and continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and

(2) Continue to meet the eligibility requirements set forth in this subsection.

↪ The agreement must bind successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business will operate.

(d) The applicant invested or commits to invest a minimum of \$500,000 in capital assets that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

4. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business will be located.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The partial abatement must [

~~—(1) Except as otherwise provided in subparagraph (2),] be for a duration of not less than 1 year but not more than 5 [years; or~~

~~—(2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective a minimum of~~

~~\$100,000,000 in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597, be for a duration of not less than 1 year but not more than 15} years.~~

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

6. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

↪ the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

7. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

8. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

**Sec. 9.5.** NRS 274.320 is hereby amended to read as follows:

274.320 1. A person who intends to expand a business in this State within:

(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to chapter 279 of NRS;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,  
↪ may submit a request to the governing body of the county, city or town in which the business operates for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of the taxes imposed on capital equipment pursuant to chapter 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board

of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

(1) Continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Office, which must be at least 5 years; and

(2) Continue to meet the eligibility requirements set forth in this subsection.

↪ The agreement must bind successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

(d) The applicant invested or commits to invest a minimum of \$250,000 in capital equipment that will be retained at the location of the business in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years after the date on which the abatement becomes effective.

4. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:

- (a) The Department of Taxation; and
- (b) The Nevada Tax Commission.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

- (a) The partial abatement must ~~be~~

~~— (1) Except as otherwise provided in subparagraph (2), be for a duration of not less than 1 year but not more than 5 years; or~~

~~— (2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective a minimum of \$100,000,000 in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to chapter 279 of NRS, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597, be for a duration of not less than 1 year but not more than 15 years.~~

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

6. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

- (a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

↪ the business shall repay to the Department of Taxation the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

7. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

8. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

**Sec. 9.7.** NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one

or more of the taxes imposed pursuant to chapter 361 or 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

(b) The applicant has executed an agreement with the Office which states that the business will, after the date on which the abatement becomes effective:

(1) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and

(2) Continue to meet the eligibility requirements set forth in this subsection.

↪ The agreement must bind successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

(d) The business:

(1) Employs one or more dislocated workers who reside in the enterprise community; and

(2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents.

4. If the Office of Economic Development approves an application for a partial abatement, the Office shall:

(a) Determine the percentage of employees of the business which meet the requirements of paragraph (d) of subsection 3 and grant a partial abatement equal to that percentage; and

(b) Immediately forward a certificate of eligibility for the abatement to:

(1) The Department of Taxation;

(2) The Nevada Tax Commission; and

(3) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business is located.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The partial abatement must ~~be~~

~~—(1) Except as otherwise provided in subparagraph (2),] be for a duration of not less than 1 year but not more than 5 [years; or~~

~~—(2) If the business is a data center that has invested or commits to invest during the period in which the abatement is effective a minimum of \$100,000,000 in the enterprise community established pursuant to 24 C.F.R. Part 597, be for a duration of not less than 1 year but not more than 15] years.~~

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

6. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

↪ the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the exemption that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the exemption required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

7. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for an abatement pursuant to this section.

(b) May adopt such other regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

8. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

9. As used in this section, “dislocated worker” means a person who:

(a) Has been terminated, laid off or received notice of termination or layoff from employment;



(b) Is eligible for or receiving or has exhausted his or her entitlement to unemployment compensation;

(c) Has been dependent on the income of another family member but is no longer supported by that income;

(d) Has been self-employed but is no longer receiving an income from self-employment because of general economic conditions in the community or natural disaster; or

(e) Is currently unemployed and unable to return to a previous industry or occupation.

**Sec. 10.** NRS 353.207 is hereby amended to read as follows:

353.207 1. The Chief shall:

(a) Require the Office of Economic Development and the Office of Energy each periodically to conduct an analysis of the relative costs and benefits of each incentive for economic development previously approved by the respective office and in effect during the immediately preceding 2 fiscal years, including, without limitation, any abatement of taxes approved by the Office of Economic Development pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.752, 360.950, 361.0687, 374.357 or 701A.210 ~~§~~ **or section 1 of this act**, to assist the Governor and the Legislature in determining whether the economic benefits of the incentive have accomplished the purposes of the statute pursuant to which the incentive was approved and warrant additional incentives of that kind;

(b) Require each office to report in writing to the Chief the results of the analysis conducted by the office pursuant to paragraph (a); and

(c) Establish a schedule for performing and reporting the results of the analysis required by paragraph (a) which ensures that the results of the analysis reported by each office are included in the proposed budget prepared pursuant to NRS 353.205, as required by that section.

2. Each report prepared for the Chief pursuant to this section is a public record and is open to inspection pursuant to the provisions of NRS 239.010.

**Sec. 10.5. Notwithstanding the provisions of sections 1 and 6 of this act, if the Office of Economic Development approves an application for a partial abatement pursuant to section 1 of this act, of the taxes imposed pursuant to chapter 374 of NRS, any such partial abatement must not include, for Fiscal Year 2015-2016, an abatement of the local school support tax imposed by chapter 374 of NRS.**

**Sec. 11.** The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

**Sec. 12.** The Legislature hereby finds that each abatement provided by this act from any ad valorem tax on property or excise tax on the sale, storage, use or other consumption of tangible personal property sold at retail:

1. Will achieve a bona fide social or economic purpose and the benefits of the abatement are expected to exceed any adverse effect of the abatement on the provision of services to the public by the State or a local government that

would otherwise receive revenue from the tax from which the abatement would be granted; and

2. Will not impair adversely the ability of the State or a local government to pay, when due, all interest and principal on any outstanding bonds or any other obligations for which revenue from the tax from which the abatement would be granted was pledged.

**Sec. 12.5.** NRS 274.025 is hereby repealed.

**Sec. 13.** 1. This act becomes effective:

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

(b) On January 1, 2016, for all other purposes.

2. Sections 6.5, 9.3, 9.5 and 9.7 of this act expire by limitation on June 30, 2032.

3. Sections 1 to 6, inclusive, 7, 8, 9 ~~11~~ and 10 ~~11 and~~ to 12, inclusive, of this act expire by limitation on December 31, 2056.

#### TEXT OF REPEALED SECTION

**274.025 “Data center” defined.** “Data center” means one or more buildings located at one physical location which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to a particular business and includes the associated telecommunications and storage systems at the location.

Assemblyman Armstrong moved the adoption of the amendment.

Remarks by Assemblyman Armstrong.

ASSEMBLYMAN ARMSTRONG:

Amendment 815 reduces the number of employees and capital investment required for an abatement that may be approved for a period not to exceed ten years. It also requires that employees hired for the data center be Nevada residents in order to meet the eligibility requirement. It also specifies that at least 50 percent of the employees involved in any construction of the data center be Nevada residents. It also specifies that the requirements for Nevada employees and capital investment be met in each county in which the data center intends to operate. It also requires that a colocated business receiving abatement obtain a state business license. It also limits the definition of “eligible machinery and equipment” to only those items necessary to and specifically related to the business of the data center or colocated business, specifically excluding vehicles from the definition, and specifies the Office of Economic Development may not approve an abatement of the Local School Support Tax in Fiscal Year 2016. For Fiscal Year 2017 and future fiscal years, the abatements for sales and use tax include the Local School Support Tax.

Amendment adopted.

Bill ordered reprinted, reengrossed and to third reading.

Senate Bill No. 253.

Bill read second time and ordered to third reading.

Senate Bill No. 420.

Bill read second time and ordered to third reading.

Senate Bill No. 422.

Bill read second time and ordered to third reading.

Senate Bill No. 431.

Bill read second time and ordered to third reading.

Senate Bill No. 500.

Bill read second time and ordered to third reading.

Senate Bill No. 501.

Bill read second time and ordered to third reading.

Senate Bill No. 456.

Bill read second time and ordered to third reading.

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

Assembly in recess at 12:40 p.m.

#### ASSEMBLY IN SESSION

At 12:47 p.m.

Mr. Speaker presiding.

Quorum present.

#### GENERAL FILE AND THIRD READING

Assembly Bill No. 12.

Bill read third time.

Remarks by Assemblyman Sprinkle.

#### ASSEMBLYMAN SPRINKLE:

Assembly Bill 12 removes the expiration date of the pilot diversion program established by the Department of Corrections to provide treatment for alcohol and drug abuse or mental illness in lieu of revocation of probation for certain probation violators.

Roll call on Assembly Bill No. 12:

YEAS—42.

NAYS—None.

Assembly Bill No. 12 having received a constitutional majority, Mr. Speaker declared it passed.

Bill ordered transmitted to the Senate.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Hansen moved that Senate Bills Nos. 391, 474, and 503 be taken from the General File and placed on the General File for the next legislative day.

Motion lost.

## GENERAL FILE AND THIRD READING

Assembly Bill No. 71.

Bill read third time.

Remarks by Assemblyman Edwards.

ASSEMBLYMAN EDWARDS:

Assembly Bill 71 provides for the following tax incentives relating to military veterans and members and relatives of members of the Nevada National Guard. An employer who hires a veteran who has been unemployed for a period of at least three months may deduct 100 percent of the wages of that veteran from the employer's calculation for the Modified Business Tax for the first four full calendar quarters following the hiring of the employee and 50 percent of the wages for the next eight calendar quarters. Certain family members of a Nevada National Guard member killed while on active National Guard duty may receive an exemption from the sales and use tax for a period of three years following the death of the Guard member.

Assembly Bill 71 also makes technical adjustments relating to the calculation of the exemptions from property tax and Governmental Services Tax that are provided to certain disabled veterans under current law.

Assembly Bill 71 becomes effective on July 1, 2015. The provisions allowing an employer to claim deductions from the Modified Business Tax for hiring certain veterans expire by limitation on July 31, 2022.

Roll call on Assembly Bill No. 71:

YEAS—42.

NAYS—None.

Assembly Bill No. 71 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

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

Assembly in recess at 1:05 p.m.

## ASSEMBLY IN SESSION

At 1:40 p.m.

Mr. Speaker presiding.

Quorum present.

## MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Paul Anderson moved that Assembly Bills Nos. 197, 203, 221, 388, 389; Senate Bills Nos. 391, 474, 503, 510 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

## GUESTS EXTENDED PRIVILEGE OF ASSEMBLY FLOOR

On request of Assemblyman Araujo, the privilege of the floor of the Assembly Chamber for this day was extended to Maureen Allred, James Kirkpatrick, and Mace Hardy.

On request of Assemblywoman Dickman, the privilege of the floor of the Assembly Chamber for this day was extended to Laretta Nawojski, Debbie Johnston, and Eddie Lorton.

On request of Assemblywoman Dooling, the privilege of the floor of the Assembly Chamber for this day was extended to Maria Inez-Jacobi and Julie Haro.

On request of Assemblyman Ellison, the privilege of the floor of the Assembly Chamber for this day was extended to Clara Andriola, Scott Peterson, and George Combs.

On request of Assemblyman Hansen, the privilege of the floor of the Assembly Chamber for this day was extended to Robert Cose.

On request of Assemblyman Hickey, the privilege of the floor of the Assembly Chamber for this day was extended to Kimberly Surrat and Larry Stacy.

On request of Assemblywoman Joiner, the privilege of the floor of the Assembly Chamber for this day was extended to Callie Crawford.

On request of Assemblyman Jones, the privilege of the floor of the Assembly Chamber for this day was extended to Roshanda Tillman.

On request of Assemblyman O'Neill, the privilege of the floor of the Assembly Chamber for this day was extended to the following students, chaperones, and teachers from Bordewich Bray Elementary School: Gabe Allen, Noah Blakeney, Delcia Colunga, Hunter Del Fiorentino, Talia Diez, Taylor Dungey, Preston Emborsky, Autumn Frost, Makala Furlong, Matthew Garcia Tapungot, Julia Kaiser, Gracie Konrad, Ester Lainez, Norissa Lockhart, Monica Mascareno, Hunter Matthies, Ethne Myler, Xavier Pierce, Anirudh Praveen, Joshua Shortt, Adam Sulik, Seth Taylor, Joseph Tierney, Nico Ventura, Natalyn Wakeling, Emma Young, Chris Camacho, Shirley Campas, Cassy Gantan, William Goodman, Isabell Gutierrez, Joey Hitchcock, Jacob Hughes, Kayce Johnston, Korbin Kossmann, Michael Putt, James Mason, Eduardo Medina, Jacob Miltimore, Ramon Montez, Kaylee Morean, Sidynee Noble, Leslie Nunez, Hailee Olson, Marius Painter, Jose Rivera, Andrew Roa, Samuel Sanchez, Jimena Tapia-Gonzalez, Jasmine Valdivia, and Danielle Van Dusen.

On request of Assemblyman Ohrenschall, the privilege of the floor of the Assembly Chamber for this day was extended to Carolyn Hamilton.

On request of Assemblywoman Seaman, the privilege of the floor of the Assembly Chamber for this day was extended to Clara Thomas, Mark Matthews, and Debra Springer.

On request of Assemblywoman Shelton, the privilege of the floor of the Assembly Chamber for this day was extended to Michael Collins.

On request of Assemblywoman Spiegel, the privilege of the floor of the Assembly Chamber for this day was extended to Randy Peters.

On request of Assemblyman Sprinkle, the privilege of the floor of the Assembly Chamber for this day was extended to Craig Downie and Fred Cornelius.

On request of Assemblyman Thompson, the privilege of the floor of the Assembly Chamber for this day was extended to Marjie Swaitek.

On request of Assemblywoman Titus, the privilege of the floor of the Assembly Chamber for this day was extended to Colby Frey, Ashley Frey, and Stephen Wood.

On request of Assemblyman Trowbridge, the privilege of the floor of the Assembly Chamber for this day was extended to Lee Bonner.

On request of Assemblyman Wheeler, the privilege of the floor of the Assembly Chamber for this day was extended to Richard Hodgson and Sarah VanNest.

Assemblyman Paul Anderson moved that the Assembly adjourn until Thursday, May 28, 2015, at 11:30 a.m.

Motion carried.

Assembly adjourned at 1:41 p.m.

Approved:

JOHN HAMBRICK  
*Speaker of the Assembly*

Attest: SUSAN FURLONG  
*Chief Clerk of the Assembly*