

**THE FIFTIETH DAY**

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CARSON CITY (Monday), March 23, 2015

Senate called to order 11:49 a.m.

President Hutchison presiding.

Roll called.

All present except Senators Segerblom and Smith, who were excused.

Prayer by the Chaplain, Pastor Bruce Henderson.

Heavenly Father,

Well, here we are in a new work week—the beginning of our eighth here. Unfortunately, in the midst of this newness, there continues to be a lot of old issues that keep surfacing. Some of these issues are legislative, and we ask Your help in handling them with consideration and kindness. But, Lord, some of these issues are personal and can be distracting from our work here. I ask, God, that You see in each of our hearts and minister to our own individual circumstances in a way that only You can do.

I pray in the Name of Jesus who sets us free.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President and Secretary are authorized to make the necessary corrections and additions.

Mr. President announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 11:54 a.m.

## SENATE IN SESSION

At 12:11 p.m.

President Hutchison presiding.

Quorum present.

## REPORTS OF COMMITTEES

*Mr. President:*

Your Committee on Finance, to which was referred Assembly Bill No. 265, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

BEN KIECKHEFER, *Chair*

## MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, March 20, 2015

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day passed Senate Bill No. 22.

CAROL AIELLO-SALA  
*Assistant Chief Clerk of the Assembly*

WAIVERS AND EXEMPTIONS  
NOTICE OF EXEMPTION

March 23, 2015

The Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the exemption of: Senate Bills Nos. 308, 332, 347.

Also, the Fiscal Analysis Division, pursuant to Joint Standing Rule No. 14.6, has determined the eligibility for exemption of: Senate Bills Nos. 59, 203, 213, 214, 220, 230, 235, 236, 240, 252, 253, 254, 258.

MARK KRMPOTIC  
*Fiscal Analysis Division*

## MOTIONS, RESOLUTIONS AND NOTICES

Senator Roberson moved that the Secretary of the Senate dispense with reading the titles of all bills and resolutions for introduction and referral in order to accommodate the Committee introductions' deadline today.

Motion carried.

By the Committee on Finance:

Senate Concurrent Resolution No. 7—Authorizing the State Public Works Division of the Department of Administration to receive and use federal grant money for the demolition of the field maintenance shop at the Nevada National Guard Henderson Armory.

Senator Kieckhefer moved that the resolution be referred to the Committee on Finance.

Motion carried.

## INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Legislative Operations and Elections:

Senate Bill No. 421—AN ACT relating to elections; providing in certain circumstances for a presidential preference primary election to be held in conjunction with the statewide primary election; revising the date of the statewide primary election to the Tuesday immediately preceding the last Tuesday in January of each even-numbered year; requiring the Secretary of State, under certain circumstances and with the approval of the Legislative Commission, to select an earlier date for the statewide primary election; making corresponding changes to various pre-election deadlines; revising requirements for the reporting of campaign contributions and expenditures; establishing requirements for participation by major political parties and candidates in a presidential preference primary election; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 422—AN ACT relating to Medicaid; repealing the prospective expiration of provisions governing the list of preferred prescription drugs to be used for the Medicaid program; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Finance:

Senate Bill No. 423—AN ACT relating to modification of weather; making an appropriation to the State Department of Conservation and Natural Resources for the awarding of grants to support certain cloud seeding operations; and providing other matters properly relating thereto.

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

Motion carried

By the Committee on Government Affairs:

Senate Bill No. 424—AN ACT relating to public financial administration; creating the K-12 Public Education Stabilization Account; reallocating money reverted from the State Distributive School Account; revising provisions governing the setting aside of reserves out of appropriated or other funds to meet emergencies; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Revenue and Economic Development:

Senate Bill No. 425—AN ACT relating to taxation; revising provisions relating to the imposition of the tax on live entertainment on facilities located at licensed gaming establishments; revising provisions governing the exemptions and exclusions from the Live Entertainment Tax; revising the rate of the tax on live entertainment; and providing other matters properly relating thereto.

Senator Roberson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

By the Committee on Revenue and Economic Development:

Senate Bill No. 426—AN ACT relating to taxation; revising provisions governing the tax on live entertainment; establishing an excise tax on certain admission and amusement services; providing for the rate and imposition of the Luxury Discretionary Spending tax on admission and amusement services; revising the exemptions from the tax on live entertainment to establish certain exemptions from the tax on admission and amusement services; providing that the tax on admission and amusement services does not apply to admission to a place of amusement or entertainment located at a licensed gaming establishment; providing that the tax on live entertainment applies to live entertainment that is provided at a licensed gaming

establishment; revising the rate of the tax on live entertainment that is provided at a licensed gaming establishment; and providing other matters properly relating thereto.

Senator Roberson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

By the Committee on Finance:

Senate Bill No. 427—AN ACT making a supplemental appropriation to the Office of the Attorney General for projected extradition costs; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 428—AN ACT making appropriations to the State Department of Conservation and Natural Resources for the replacement of emergency response, firefighting and other critical equipment and vehicles; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 429—AN ACT making a supplemental appropriation to the State Distributive School Account for a shortfall resulting from an unanticipated increase in K-12 enrollment for the 2013-2014 and 2014-2015 school years; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 430—AN ACT relating to education; making an appropriation to provide certain programs and services at Zoom elementary, middle, junior high and high schools and at other schools that enroll children who are limited English proficient or who are eligible for such a designation; requiring the State Board of Education to develop for recommendation as proposed legislation a definition of and procedure for reporting pupils who are identified as long-term limited English proficient; and providing other matters properly relating thereto.

Senator Kieckhefer moved that Senate Standing Rule No. 40 be suspended and that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Finance:

Senate Bill No. 431—AN ACT relating to state financial administration; authorizing the Supreme Court of Nevada to enter into a long-term lease for office space in Clark County which extends beyond the 2016-2017 biennium; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 432—AN ACT relating to education; making an appropriation for Fiscal Years 2015-2016 and 2016-2017 for distribution to public schools designated as Victory schools because they have high numbers of pupils living in poverty and performing low academically; requiring an assessment of the needs of the pupils at such schools; requiring Victory schools to use the money received to offer certain programs and services; authorizing the Department of Education to withhold money if a Victory school demonstrates unsatisfactory pupil achievement and school performance; and providing other matters properly relating thereto.

Senator Kieckhefer moved that Senate Standing Rule No. 40 be suspended and that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 433—AN ACT relating to elections; requiring the county clerk and city clerk to publish the voter turnout for each day of early voting by midnight of the following day; prohibiting an election board officer from displaying a political preference or party allegiance while serving; requiring the county clerk and city clerk to use certain criteria in determining polling places for early voting; revising the hours and days for early voting; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 434—AN ACT relating to ballot questions; requiring the filing of a proposed petition for an initiative or referendum, and the preparation of a title and description of effect for the petition, as a prerequisite to the filing and circulation of a petition; establishing the process by which the title and description of effect are prepared; requiring the Secretary of State to prepare a handbook for the circulators of certain petitions; requiring the proponent of such a petition to file with the Secretary of State a list of paid circulators; revising the single-subject requirement applicable to such a petition; revising the process by which a person may

assert certain challenges to a petition; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 435—AN ACT relating to elections; requiring a county or city clerk to establish polling places where any registered voter of the county or city, respectively, may vote in person on the day of certain elections; requiring the preparation and use of electronic election board registers; requiring an election board register to be prepared in an electronic format; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 436—AN ACT relating to elections; providing that an inactive voter must provide proof of residence or a written affirmation before voting; providing that certain absent ballots received after the day of an election must be counted; extending the deadline for counties and cities to canvass election returns; requiring certain persons conducting a voter registration drive to register with the Secretary of State; increasing the penalty for certain crimes related to a person who registers to vote; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 437—AN ACT relating to elections; requiring the Department of Motor Vehicles and certain courts to provide to the Secretary of State and relevant county clerks certain information related to persons who may not be citizens of the United States; requiring a county clerk to cancel the voter registration of persons who may not be citizens of the United States; requiring the Department to submit information to the Secretary of State relating to persons who have a driver's license, identification card or driver's authorization card that expires on a date other than the person's birthday; requiring the Department to use certain federal programs to verify the accuracy of information in an application to register to vote; requiring the Secretary of State to request certain information from and provide certain information to other states; requiring a person who claims that he or she is not qualified to act as a juror because he or she is not a citizen of the United States to submit a written affirmation; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Commerce, Labor and Energy:

Senate Bill No. 438—AN ACT relating to the regulation of air pollution; requiring the State Department of Conservation and Natural Resources to develop and adopt a proposed state emissions plan for the purpose of complying with future requirements of the federal Clean Air Act relating to the reduction in certain carbon-dioxide emissions; requiring the Legislature or the Legislative Commission, as applicable, to approve or disapprove the plan; requiring the Department to enforce the plan upon approval of the plan by the United States Environmental Protection Agency; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Commerce, Labor and Energy:

Senate Bill No. 439—AN ACT relating to transportation services; providing for the regulation by the Public Utilities Commission of Nevada of transportation network companies; requiring the establishment of fees and annual assessments for a transportation network company; authorizing a transportation network company that holds a valid permit issued by the Commission to enter into an agreement with one or more drivers to receive connections to passengers from the company; establishing requirements concerning the qualifications of, the provision of insurance for and the operation and maintenance of motor vehicles operated by drivers who provide transportation services; prohibiting a local government from imposing on a transportation network company or a driver for such a company any additional tax or fee or requirement as a condition of providing transportation services; providing that a transportation network company or driver who provides transportation services pursuant to a valid permit issued by the Commission is not subject to certain provisions of law governing motor carriers; providing penalties; and providing other matters properly relating thereto.

Senator Settelmeyer moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

By the Committee on Commerce, Labor and Energy:

Senate Bill No. 440—AN ACT relating to insurance; revising provisions relating to casualty insurance for certain uses of motor vehicles; and providing other matters properly relating thereto.

Senator Settelmeyer moved that the bill be referred to the Committee on Commerce, Labor and Energy.

Motion carried.

By the Committee on Commerce, Labor and Energy:

Senate Bill No. 441—AN ACT relating to cottage food operations; adding certain pickled foods to the list of foods which may be prepared and sold by a cottage food operation; and providing other matters properly relating thereto.

Senator Settelmeyer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 442—AN ACT relating to arbitration; authorizing the removal of an arbitrator from an arbitral proceeding under certain circumstances; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 443—AN ACT relating to gaming; revising provisions governing the acceptance of race book and sports pool wagers; providing a penalty; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 444—AN ACT relating to civil actions; revising provisions governing the dismissal of certain claims based on the right to petition and the right to free speech under certain circumstances; revising provisions relating to special motions to dismiss such claims; repealing provisions authorizing certain monetary awards in proceedings related to special motions to dismiss such claims; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 445—AN ACT relating to gaming; requiring the Nevada Gaming Commission to adopt regulations relating to certain risk management by an operator of a race book or sports pool; and providing other matters properly relating thereto.



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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 446—AN ACT relating to business entities; establishing procedures for the ratification or validation of certain noncompliant corporate acts; providing that a trust company may be formed as a corporation; revising provisions governing the stock ledger maintained by the registered agent of a corporation; revising provisions setting forth the required officers of a corporation; revising provisions governing transactions involving interested directors or officers; revising provisions governing the stock of corporations; revising provisions governing meetings of stockholders of corporations; revising provisions governing certain transactions between corporations and interested stockholders; revising provisions relating to articles and certificates of incorporation; revising provisions establishing the time of organization of certain business entities; revising provisions governing the allocation of certain liabilities after a merger of business entities; revising provisions governing notarial acts; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 447—AN ACT relating to marijuana; revising the crime of counterfeiting or forging a registry identification card for the medical use of marijuana; revising the definition of marijuana for certain purposes; requiring the State Board of Pharmacy to include certain substances, chemical compounds and isomers of chemical compounds on the list of schedule I controlled substances; revising certain exemptions from state prosecution for marijuana related offenses; revising provisions governing the return of seized marijuana, paraphernalia or related property from certain persons; providing that certain records created by the Division of Public and Behavioral Health of the Department of Health and Human Services relating to the medical use of marijuana are not confidential; authorizing law enforcement agencies to adopt policies and procedures governing the medical use of marijuana by a peace officer; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 448—AN ACT relating to public money; authorizing a county treasurer to deposit county money in certain insured deposit accounts in insured banks, insured credit unions or insured savings and loan

associations; providing for the redeposit of money under the control of the State Treasurer, county money, city money or money under the control of the treasurer of an incorporated city or other local government into insured deposit accounts in one or more other insured banks, insured credit unions or insured savings and loan associations under certain circumstances; and providing other matters properly relating thereto.

Senator Brower moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 449—AN ACT relating to the criminal justice system; revising the membership of the Advisory Commission on the Administration of Justice; requiring the Advisory Commission to appoint a subcommittee to conduct an interim study concerning parole; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 450—AN ACT relating to gaming; requiring the Nevada Gaming Commission to create the Sports Pool Telecast Access Committee; establishing provisions relating to the appointment of members to the Committee; establishing provisions relating to the rights and duties of the Committee; authorizing the Commission to adopt regulations relating to the Committee; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 451—AN ACT relating to public defenders; creating the Indigent Defense Commission; prescribing the duties and powers of the Commission; authorizing the Commission to establish certain standards governing public defenders; requiring the Commission to determine the appropriate structure for providing public defender services in certain smaller counties; revising provisions governing the State Public Defender; revising provisions relating to county offices of public defender; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 452—AN ACT relating to juvenile justice; authorizing a case excluded from the jurisdiction of the juvenile court to be transferred to the juvenile court under certain circumstances; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 453—AN ACT relating to real property; revising provisions governing certain actions to enforce an obligation or debt secured by a mortgage or deed of trust; revising provisions governing the election to participate in mediation in a judicial foreclosure action; revising provisions governing deficiency judgments; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 454—AN ACT relating to criminal justice; requiring the use of a uniform pretrial risk assessment tool in any criminal proceeding; requiring the State Controller to collect fines, administrative assessments, fees and restitution from persons convicted of certain criminal offenses; requiring the Director of the Department of Corrections to provide to an offender a duplicate driver's license or identification card upon the release of an offender; authorizing the Director of the Department of Corrections to release certain personal information of an offender to the Office of the Attorney General under certain circumstances; providing that a county is eligible for reimbursement for the cost of a sexual assault examination from the Fund for the Compensation of Victims of Crime; requiring the Advisory Commission on the Administration of Justice to study and report on certain issues; requiring the Central Repository for Nevada Records of Criminal History to develop recommended policies and procedures related to certain issues; requiring the Division of Parole and Probation of the Department of Public Safety to study and report on certain issues; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Revenue and Economic Development:

Senate Bill No. 455—AN ACT relating to taxation; increasing the rate of the excise tax on cigarettes; providing for the distribution of the increased rate of the tax; and providing other matters properly relating thereto.

Senator Roberson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 175.

Bill read third time.

The following amendment was proposed by Senator Parks.

Amendment No. 149.

SUMMARY—Makes various changes relating to public safety. (BDR 15-515)

AN ACT relating to public safety; revising provisions governing justifiable homicide; prohibiting a person convicted in this State or any other state of a misdemeanor crime of domestic violence from owning or having in his or her possession or under his or her custody or control any firearm; requiring the Department of Public Safety to make certain determinations before issuing a list of states for purposes of reciprocity; prohibiting a person against whom an extended order for protection against domestic violence is issued from subsequently purchasing or otherwise acquiring any firearm during the period the extended order is in effect; revising provisions governing civil liability in actions involving the use of force; expanding the rights and powers reserved for the Legislature relating to the regulation of firearms and ammunition; requiring the governing bodies of certain political subdivisions of this State to repeal certain ordinances and regulations; ~~authorizing a person adversely affected by the enforcement of such an ordinance or regulation to seek declarative and injunctive relief and damages;~~ providing that such a person is entitled to certain damages; deleting certain provisions relating to the registration of firearms capable of being concealed; revising the applicability of certain provisions pertaining to the regulation of firearms by local governments; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that justifiable homicide is the killing of a human being in necessary self-defense, or in defense of habitation, property or person against a person who manifestly intends or endeavors to commit a felony or to enter the habitation of another for the purpose of assaulting a person who is in the habitation. (NRS 200.120) Section 1 of this bill revises the definition of "justifiable homicide" to include specifically the killing of a person in defense of an occupied motor vehicle or in defense against any person who manifestly intends and endeavors to enter the occupied motor vehicle of another for the purpose of assaulting a person who is in the motor vehicle.

Existing law also provides that a killing is justifiable if the circumstances were sufficient to excite the fears of a reasonable person and the person killing really acted under the influence of those fears and not in a spirit of

revenge. (NRS 200.130) Section 2 of this bill establishes a rebuttable presumption that a killing is justifiable under the standard set forth in NRS 200.130 if the person killing: (1) knew or reasonably believed that the person who was killed was entering unlawfully and with force, or attempting to enter unlawfully and with force, the habitation or property of another; (2) knew or reasonably believed that the person who was killed was committing or attempting to commit a crime of violence; and (3) did not provoke the person who was killed.

Existing law prohibits certain persons from owning or having in their possession or under their custody or control any firearm. A person who violates such a provision is guilty of a category B felony. (NRS 202.360) Section 3 of this bill adds to such a list of persons a person who has been convicted in this State or any other state of a misdemeanor crime of domestic violence as defined in federal law.

Existing law authorizes a court to issue an extended order for protection against domestic violence. (NRS 33.030) Section 5 of this bill provides that if such an extended order is issued, the adverse party is prohibited from purchasing or otherwise acquiring any firearm during the period that the extended order is in effect. A person who violates such a provision is guilty of a category B felony.

Existing law provides that in a civil action brought by or on behalf of a person against whom force which is intended or likely to cause death or bodily injury was used: (1) there is a presumption that the person who used such force had a reasonable fear of imminent death or bodily injury to himself or herself or another person if the person against whom such force was used was committing burglary or invasion of the home; and (2) that presumption must be overcome by clear and convincing evidence to the contrary for the civil action to be maintained. (NRS 41.095) Section 7 of this bill extends that presumption to circumstances in which the person who used such force was in his or her motor vehicle and the other person was committing grand larceny of the motor vehicle with the use or threatened use of a deadly weapon. Section 7 also enacts a provision, based upon Texas law, which provides that a person is immune to civil liability for using force which is intended or likely to cause death or bodily injury if the person was justified in using such force under the applicable provisions of Nevada criminal law. (Texas Civil Practice and Remedies Code § 83.001)

Existing law requires the Department of Public Safety to prepare annually a list of states that have: (1) requirements for the issuance of a permit to carry a concealed firearm that are substantially similar to or more stringent than the requirements set forth in this State; and (2) an electronic database which identifies each individual who possesses a valid permit to carry a concealed firearm by that state and which a law enforcement officer in this State may access at all times. Additionally, a state may only be included in the list if the Nevada Sheriffs' and Chiefs' Association agrees with the Department's inclusion of the state. (NRS 202.3689) Existing law also authorizes a person

who possesses a permit to carry a concealed firearm that was issued by a state included in the list to carry a concealed firearm in this State in accordance with the laws of this State unless the person: (1) becomes a resident of this State; and (2) has not been issued a permit from the sheriff of the county in which he or she resides within 60 days after becoming a resident of this State. (NRS 202.3688)

~~Existing law requires the Department to annually prepare a list of states which it determines are substantially similar to or more stringent than this State for purposes of issuing a permit to carry a concealed firearm. (NRS 202.3689)~~ Section 4.5 of this bill ~~instead~~ requires the Department to determine whether each state requires a person to complete any training, class or program for purposes of preparing the list.

Existing law provides that, except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in this State, and further provides that no county, city or town may infringe upon those rights and powers. (NRS 244.364, 268.418, 269.222) Sections 8-10 of this bill expand such rights and powers of the Legislature to include those necessary to: (1) regulate the carrying and storage of firearms, firearm accessories and ammunition; and (2) define all such terms. Sections 8-10 provide that certain ordinances or regulations which are inconsistent with these rights and powers of the Legislature are null and void and require the governing bodies of certain political subdivisions of this State to repeal any such ordinance or regulation. ~~Sections 8-10 also authorize any person who is adversely affected by the enforcement of any such ordinance or regulation on or after October 1, 2015, to file suit in the appropriate court for declarative and injunctive relief and damages. Such a person is entitled to certain damages depending on whether and when the relevant governing body of a political subdivision repeals such an ordinance or a regulation.~~

Existing law also requires certain political subdivisions of this State in a county whose population is 700,000 or more (currently Clark County), which adopted ordinances or regulations before June 13, 1989, that require the registration of firearms capable of being concealed, to make certain amendments to such registration provisions. (NRS 244.364, 268.418, 269.222) Sections 8-10 additionally delete the provisions requiring certain political subdivisions of this State to make such amendments.

Assembly Bill No. 147 of the 1989 Legislative Session (A.B. 147) reserved for the Legislature the rights and powers necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in this State. (Chapter 308, Statutes of Nevada 1989, p. 652) However, section 5 of A.B. 147 provided that the preemptive effect of the bill applied only to ordinances or regulations adopted by certain political subdivisions on or after June 13, 1989. Section 11 of this bill amends section 5 of A.B. 147 to include and preempt

ordinances or regulations adopted by certain political subdivisions before June 13, 1989.

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

Section 1. NRS 200.120 is hereby amended to read as follows:

200.120 1. Justifiable homicide is the killing of a human being in necessary self-defense, or in defense of *an occupied* habitation, ~~property~~ *an occupied motor vehicle* or person, against one who manifestly intends or endeavors ~~by violence or surprise,~~ to commit a ~~felony,~~ *crime of violence*, or against any person or persons who manifestly intend and endeavor, in a violent, riotous, tumultuous or surreptitious manner, to enter the *occupied* habitation or *occupied motor vehicle*, of another for the purpose of assaulting or offering personal violence to any person dwelling or being therein.

2. A person is not required to retreat before using deadly force as provided in subsection 1 if the person:

- (a) Is not the original aggressor;
- (b) Has a right to be present at the location where deadly force is used; and
- (c) Is not actively engaged in conduct in furtherance of criminal activity at the time deadly force is used.

3. *As used in this section:*

(a) *"Crime of violence" means any felony for which there is a substantial risk that force or violence may be used against the person or property of another in the commission of the felony.*

(b) *"Motor vehicle" means every vehicle which is self-propelled.*

Sec. 2. NRS 200.130 is hereby amended to read as follows:

200.130 1. A bare fear of any of the offenses mentioned in NRS 200.120, to prevent which the homicide is alleged to have been committed, ~~shall not be~~ *is not* sufficient to justify the killing. It must appear that the circumstances were sufficient to excite the fears of a reasonable person and that the ~~party~~ *person* killing really acted under the influence of those fears and not in a spirit of revenge.

2. *There is a rebuttable presumption that the circumstances were sufficient to excite the fears of a reasonable person and that the person killing really acted under the influence of those fears and not in a spirit of revenge if the person killing:*

(a) *Knew or reasonably believed that the person who was killed was entering unlawfully and with force, or attempting to enter unlawfully and with force, the occupied habitation or occupied motor vehicle, of another;*

(b) *Knew or reasonably believed that the person who was killed was committing or attempting to commit a crime of violence; and*

(c) *Did not provoke the person who was killed.*

3. *As used in this section:*

(a) *"Crime of violence" means any felony for which there is a substantial risk that force or violence may be used against the person or property of another in the commission of the felony.*

(b) *"Motor vehicle" means every vehicle which is self-propelled.*

Sec. 3. NRS 202.360 is hereby amended to read as follows:

202.360 1. A person shall not own or have in his or her possession or under his or her custody or control any firearm if the person:

(a) *Has been convicted in this State or any other state of a misdemeanor crime of domestic violence as defined in 18 U.S.C. § 921(a)(33);*

(b) *Has been convicted of a felony in this State or any other state, or in any political subdivision thereof, or of a felony in violation of the laws of the United States of America, unless the person has received a pardon and the pardon does not restrict his or her right to bear arms;*

~~[(b)]~~ (c) *Is a fugitive from justice; or*

~~[(c)]~~ (d) *Is an unlawful user of, or addicted to, any controlled substance.*

↪ A person who violates the provisions of this subsection is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.

2. A person shall not own or have in his or her possession or under his or her custody or control any firearm if the person:

(a) *Has been adjudicated as mentally ill or has been committed to any mental health facility; or*

(b) *Is illegally or unlawfully in the United States.*

↪ A person who violates the provisions of this subsection is guilty of a category D felony and shall be punished as provided in NRS 193.130.

3. As used in this section:

(a) *"Controlled substance" has the meaning ascribed to it in 21 U.S.C. 802(6).*

(b) *"Firearm" includes any firearm that is loaded or unloaded and operable or inoperable.*

Sec. 4. NRS 202.3688 is hereby amended to read as follows:

202.3688 1. Except as otherwise provided in subsection 2, a person who possesses a permit to carry a concealed firearm that was issued by a state included in the list prepared pursuant to NRS 202.3689 may carry a concealed firearm in this State in accordance with the requirements set forth in NRS 202.3653 to 202.369, inclusive.

2. A person who possesses a permit to carry a concealed firearm that was issued by a state included in the list prepared pursuant to NRS 202.3689 may not carry a concealed firearm in this State if the person:

(a) *Becomes a resident of this State; and*

(b) *Has not been issued a permit from the sheriff of the county in which he or she resides within 60 days after becoming a resident of this State.*



~~[3. A person who carries a concealed firearm pursuant to this section is subject to the same legal restrictions and requirements imposed upon a person who has been issued a permit by a sheriff in this State.]~~

Sec. 4.5. NRS 202.3689 is hereby amended to read as follows:

202.3689 1. On or before July 1 of each year, the Department shall:

(a) ~~[Examine the requirements for the]~~ *Determine whether each state requires a person to complete any training, class or program before the issuance of a permit to carry a concealed firearm in ~~[each]~~ that state . ~~[and determine whether the requirements of each state are substantially similar to or more stringent than the requirements set forth in NRS 202.3653 to 202.369, inclusive.]~~*

(b) Determine whether each state has an electronic database which identifies each individual who possesses a valid permit to carry a concealed firearm issued by that state and which a law enforcement officer in this State may access at all times through a national law enforcement telecommunications system.

(c) Prepare a list of states that meet the requirements of paragraphs (a) and (b). A state must not be included in the list unless the Nevada Sheriffs' and Chiefs' Association agrees with the Department that the state should be included in the list.

(d) Provide a copy of the list prepared pursuant to paragraph (c) to each law enforcement agency in this State.

2. The Department shall, upon request, make the list prepared pursuant to subsection 1 available to the public.

Sec. 5. Chapter 33 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *If a court issues an extended order pursuant to NRS 33.030, the adverse party shall not subsequently purchase or otherwise acquire any firearm during the period that the extended order is in effect.*

2. *A person who violates the provisions of subsection 1 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.*

Sec. 6. NRS 33.017 is hereby amended to read as follows:

33.017 As used in NRS 33.017 to 33.100, inclusive, *and section 5 of this act*, unless the context otherwise requires:

1. "Extended order" means an extended order for protection against domestic violence.

2. "Temporary order" means a temporary order for protection against domestic violence.

Sec. 7. NRS 41.095 is hereby amended to read as follows:

41.095 1. For the purposes of NRS 41.085 and 41.130, any person who uses ~~[, while]~~ :

(a) *While* lawfully in his or her residence , ~~[or]~~ in transient lodging ~~[,]~~ *or in a motor vehicle that is not his or her residence*, force which is intended or

likely to cause death or bodily injury is presumed to have had a reasonable fear of imminent death or bodily injury to himself or herself or another person lawfully in the residence , ~~or~~ transient lodging *or motor vehicle* if the force is used against a person who is committing burglary , ~~or~~ invasion of the home *or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon* and the person using the force knew or had reason to believe that burglary , ~~or~~ invasion of the home *or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon* was being committed. An action to recover damages for personal injuries to or the wrongful death of the person who committed burglary , ~~or~~ invasion of the home *or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon* may not be maintained against the person who used such force unless the presumption is overcome by clear and convincing evidence to the contrary.

*(b) Force which is intended or likely to cause death or bodily injury is immune from civil liability in an action to recover damages for personal injuries to or the wrongful death of a person against whom such force was used if the use of such force was justified under the applicable provisions of chapter 200 of NRS relating to the use of such force.*

2. As used in this section ~~["residence"]~~ :

*(a) "Deadly weapon" has the meaning ascribed to it in NRS 193.165.*

*(b) "Motor vehicle" means every vehicle which is self-propelled.*

*(c) "Residence" means any house, room, apartment, tenement or other building, vehicle, vehicle trailer, semitrailer, house trailer or boat designed or intended for occupancy as a residence.*

Sec. 8. NRS 244.364 is hereby amended to read as follows:

244.364 1. *The Legislature hereby declares that:*

*(a) The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to keep and bear arms, which is recognized by the United States Constitution and the Nevada Constitution.*

*(b) The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.*

*(c) This section must be liberally construed to effectuate its purpose.*

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, *carrying*, ownership, transportation, storage, registration and licensing of firearms , *firearm accessories* and ammunition in Nevada ~~and~~ ~~no~~ *to define such terms*. No county may infringe upon those rights and powers. ~~As used in this subsection, "firearm"~~

means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.

~~—2.]~~ 3. A board of county commissioners may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~[3.— If a board of county commissioners in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the board of county commissioners shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the county before registration of such a firearm is required.~~

~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the county upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4.— Except as otherwise provided in subsection 1, as]~~

4. *Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a county in violation of this section is void.*

5. *A board of county commissioners shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the county must be removed.*

6. *A board of county commissioners shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the county or any county agency, board or commission, including, without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.*

7. ~~*Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:*~~

~~*(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the board of county commissioners repeals the ordinance or regulation that violates this section.*~~

~~*(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final*~~

~~determination has been issued by the court, the board of county commissioners repeals the ordinance or regulation that violates this section.~~

~~(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.~~

~~8.7~~ This section must not be construed to prevent:

(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.

(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.

(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.

(d) The enactment or enforcement of a county zoning or business ordinance which is generally applicable to businesses within the county and thereby affects a firearms business within the county, including, without limitation, an indoor or outdoor shooting range.

(e) A county from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the county.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.

~~9.7~~ 8. As used in this section:

(a) "Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.

(b) "Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~[-~~

~~(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~(c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.] or expanding gases.~~

(c) "Firearm accessories" means:

(1) Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or

(2) Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.

~~(d) "Person" includes, without limitation:~~

~~(1) Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.~~

~~(2) Any person who:~~

~~(I) Can legally possess a firearm under state and federal law;~~

~~(II) Owns, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a county; and~~

~~(III) Is subject to the county ordinance or regulation at issue.~~

~~(3) A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.~~

~~(e)} "Political subdivision" includes, without limitation, a state agency, county, city, town or school district.~~

~~(f)} (e) "Public employer" has the meaning ascribed to it in NRS 286.070.~~

Sec. 9. NRS 268.418 is hereby amended to read as follows:

268.418 1. The Legislature hereby declares that:

(a) The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to bear arms, which is recognized by the United States Constitution and the Nevada Constitution.

(b) The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.

(c) This section must be liberally construed to effectuate its purpose.

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in Nevada ~~[,]~~ and ~~[no]~~ to define such terms. No city may infringe upon those rights and powers. ~~[As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.~~

~~2.]~~ 3. The governing body of a city may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~[3. If the governing body of a city in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the governing body shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the city before registration of such a firearm is required.~~

~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the city upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4. Except as otherwise provided in subsection 1, as]~~

*4. Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a city in violation of this section is void.*

*5. The governing body of a city shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the city must be removed.*

*6. The governing body of a city shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the city or any city agency, board or commission, including, without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.*

~~7. [Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:~~

~~—(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the governing body of the city repeals the ordinance or regulation that violates this section.~~

~~—(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final determination has been issued by the court, the governing body of the city repeals the ordinance or regulation that violates this section.~~

~~—(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.~~

~~8.7~~ This section must not be construed to prevent:

(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.

(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.

(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.

(d) The enactment or enforcement of a city zoning or business ordinance which is generally applicable to businesses within the city and thereby affects a firearms business within the city, including, without limitation, an indoor or outdoor shooting range.

(e) A city from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the city.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.

~~9.7~~ 8. As used in this section:

(a) "Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.

(b) "Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~[-~~

~~(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~(c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.] or expanding gases.~~

(c) "Firearm accessories" means:

(1) Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or

(2) Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.

~~(d) ["Person" includes, without limitation:~~

~~(1) Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.~~

~~(2) Any person who:~~

~~(I) Can legally possess a firearm under state and federal law;~~

~~(II) Owns, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a city; and~~

~~(III) Is subject to the city ordinance or regulation at issue.~~

~~(3) A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.~~

~~(e) "Political subdivision" includes, without limitation, a state agency, county, city, town or school district.~~

~~(f) (e) "Public employer" has the meaning ascribed to it in NRS 286.070.~~

Sec. 10. NRS 269.222 is hereby amended to read as follows:

269.222 1. *The Legislature hereby declares that:*

*(a) The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to keep and bear arms, which is recognized by the United States Constitution and the Nevada Constitution.*

*(b) The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.*

*(c) This section must be liberally construed to effectuate its purpose.*

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, *carrying*, ownership, transportation, storage, registration and licensing of firearms, *firearm accessories* and ammunition in Nevada ~~[-]~~ and ~~{no}~~ to define such terms. No town may infringe upon those rights and powers. ~~{As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.~~

~~—2.]~~ 3. A town board may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~{3. If a town board in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the town board shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the town before registration of such a firearm is required.~~



~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the town upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4. Except as otherwise provided in subsection 1, as]~~

4. Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a town in violation of this section is void.

5. A town board shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the town must be removed.

6. A town board shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the town or any town agency, board or commission, including, without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.

~~7. [Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:~~

~~—(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the town board repeals the ordinance or regulation that violates this section.~~

~~—(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final determination has been issued by the court, the town board repeals the ordinance or regulation that violates this section.~~

~~—(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.~~

~~—8.] This section must not be construed to prevent:~~

(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.

(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.

(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.

(d) The enactment of enforcement of a town zoning or business ordinance which is generally applicable to businesses within the town and thereby affects a firearms business within the town, including, without limitation, an indoor or outdoor shooting range.

(e) A town from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the town.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.

~~19.~~ 8. As used in this section:

(a) "Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.

(b) "Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~[-~~

~~(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~(c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.] or expanding gases.~~

(c) "Firearm accessories" means:

(1) Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or

(2) Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.

~~(d) "Person" includes, without limitation:~~

~~(1) Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.~~

~~(2) Any person who:~~

~~(i) Can legally possess a firearm under state and federal law;~~

~~(II) Owns, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a town; and~~

~~(III) Is subject to the town ordinance or regulation at issue.~~

~~(3) A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.~~

~~(e)~~ "Political subdivision" includes, without limitation, a state agency, county, city, town or school district.

~~##~~ (e) "Public employer" has the meaning ascribed to it in NRS 286.070.

Sec. 11. Section 5 of chapter 308, Statutes of Nevada 1989, as amended by chapter 320, Statutes of Nevada 2007, at page 1291, is hereby amended to read as follows:

Sec. 5. ~~1. Except as otherwise provided in subsection 2, the provisions of this act apply to ordinances or regulations adopted on or after June 13, 1989.~~

~~2.]~~ The provisions of this act ~~[, as amended on October 1, 2007,]~~ apply to ordinances or regulations adopted before, on or after June 13, 1989.

Sec. 12. 1. The provisions of NRS 202.360, as amended by section 3 of this act, apply to an offense committed before, on or after the effective date of this act.

2. The provisions of section 5 of this act apply to an extended order pursuant to NRS 33.030 issued on or after the effective date of this act.

Sec. 12.5. Records relating to the registration of any firearm capable of being concealed pursuant to any ordinance or regulation adopted by a political subdivision before June 13, 1989, must be destroyed within 1 year after the effective date of this act.

Sec. 13. (Deleted by amendment.)

Sec. 14. This act becomes effective upon passage and approval.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Amendment No. 149 deletes from Senate Bill No. 175, as amended, provisions in sections 8 through 10 authorizing a person adversely affected by the enforcement of a prohibited ordinance or regulation to file suit for declarative or injunctive relief. The amendment also deletes provisions setting forth the damages allowable under such a suit, as well as provisions defining a "person" for the purposes of the deleted sections.

You do not have to do much digging to figure out what is going on here. We are creating a special cause of action under State law for national political groups to come into Nevada and file lawsuits against our cities and counties. The way "person" is currently defined in sections 8 through 10 of Senate Bill No. 175 includes "membership organizations" as parties who may file suit against local governmental entities. These provisions are inserted into law under the guise of protecting 2nd Amendment Rights, but they only truly exist for the sole purpose of allowing national political groups and out-of-state lawyers to make money off local governments. In fact, this legislation and the subsequent lawsuits are happening across the Country as part of a national campaign led by the National Rifle Association. It is happening currently in Pennsylvania, where in January, the NRA, taking advantage of a new law similar to the one we

are considering here, today, announced it was filing a law suit against the cities of Pittsburgh, Philadelphia and Lancaster.

Senate Bill No. 175, if passed as currently amended, could allow for these national political organizations to collect up to double or even triple damages plus attorney's fees and costs. This creates a potentially large financial incentive to sue Nevada counties, cities and towns, and it is more expansive language than has been passed anywhere else in this Country.

We do not need to turn Nevada's court system into a feeding trough for national political groups and out-of-state special interests. Our local tax dollars are spread thin as it is and passing this amendment will remove the incentive for frivolous political lawsuits created under this bill as amended. I ask for your support on Amendment No. 149. Thank you.

Senators Ford, Manendo and Woodhouse requested a roll call vote on Senator Parks' motion.

Roll call vote on Senator Parks' motion.

YEAS—8.

NAYS—Brower, Farley, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Lipparelli, Roberson, Settelmeyer—11.

EXCUSED—Segerblom, Smith—2.

The motion having failed to receive a majority, Mr. President declared it lost.

The following amendment was proposed by Senator Parks:

Amendment No. 150.

SUMMARY—Makes various changes relating to public safety.  
(BDR 15-515)

AN ACT relating to public safety; revising provisions governing justifiable homicide; prohibiting a person convicted in this State or any other state of a misdemeanor crime of domestic violence from owning or having in his or her possession or under his or her custody or control any firearm; requiring the Department of Public Safety to make certain determinations before issuing a list of states for purposes of reciprocity; prohibiting a person against whom an extended order for protection against domestic violence is issued from subsequently purchasing or otherwise acquiring any firearm during the period the extended order is in effect; revising provisions governing civil liability in actions involving the use of force; expanding the rights and powers reserved for the Legislature relating to the regulation of firearms and ammunition; requiring the governing bodies of certain political subdivisions of this State to repeal certain ordinances and regulations; authorizing a person adversely affected by the enforcement of such an ordinance or regulation to seek declarative and injunctive relief and damages; providing that such a person is entitled to certain damages; deleting certain provisions relating to the registration of firearms capable of being concealed; revising the applicability of certain provisions pertaining to the regulation of firearms by local governments; providing a penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law provides that justifiable homicide is the killing of a human being in necessary self-defense, or in defense of habitation, property or

person against a person who manifestly intends or endeavors to commit a felony or to enter the habitation of another for the purpose of assaulting a person who is in the habitation. (NRS 200.120) Section 1 of this bill revises the definition of "justifiable homicide" to include specifically the killing of a person in defense of an occupied motor vehicle or in defense against any person who manifestly intends and endeavors to enter the occupied motor vehicle of another for the purpose of assaulting a person who is in the motor vehicle.

Existing law also provides that a killing is justifiable if the circumstances were sufficient to excite the fears of a reasonable person and the person killing really acted under the influence of those fears and not in a spirit of revenge. (NRS 200.130) Section 2 of this bill establishes a rebuttable presumption that a killing is justifiable under the standard set forth in NRS 200.130 if the person killing: (1) knew or reasonably believed that the person who was killed was entering unlawfully and with force, or attempting to enter unlawfully and with force, the habitation or property of another; (2) knew or reasonably believed that the person who was killed was committing or attempting to commit a crime of violence; and (3) did not provoke the person who was killed.

Existing law prohibits certain persons from owning or having in their possession or under their custody or control any firearm. A person who violates such a provision is guilty of a category B felony. (NRS 202.360) Section 3 of this bill adds to such a list of persons a person who has been convicted in this State or any other state of a misdemeanor crime of domestic violence as defined in federal law.

Existing law authorizes a court to issue an extended order for protection against domestic violence. (NRS 33.030) Section 5 of this bill provides that if such an extended order is issued, the adverse party is prohibited from purchasing or otherwise acquiring any firearm during the period that the extended order is in effect. A person who violates such a provision is guilty of a category B felony.

Existing law provides that in a civil action brought by or on behalf of a person against whom force which is intended or likely to cause death or bodily injury was used: (1) there is a presumption that the person who used such force had a reasonable fear of imminent death or bodily injury to himself or herself or another person if the person against whom such force was used was committing burglary or invasion of the home; and (2) that presumption must be overcome by clear and convincing evidence to the contrary for the civil action to be maintained. (NRS 41.095) Section 7 of this bill extends that presumption to circumstances in which the person who used such force was in his or her motor vehicle and the other person was committing grand larceny of the motor vehicle with the use or threatened use of a deadly weapon. Section 7 also enacts a provision, based upon Texas law, which provides that a person is immune to civil liability for using force which is intended or likely to cause death or bodily injury if the person was

justified in using such force under the applicable provisions of Nevada criminal law. (Texas Civil Practice and Remedies Code § 83.001)

Existing law requires the Department of Public Safety to prepare annually a list of states that have: (1) requirements for the issuance of a permit to carry a concealed firearm that are substantially similar to or more stringent than the requirements set forth in this State; and (2) an electronic database which identifies each individual who possesses a valid permit to carry a concealed firearm by that state and which a law enforcement officer in this State may access at all times. Additionally, a state may only be included in the list if the Nevada Sheriffs' and Chiefs' Association agrees with the Department's inclusion of the state. (NRS 202.3689) Existing law also authorizes a person who possesses a permit to carry a concealed firearm that was issued by a state included in the list to carry a concealed firearm in this State in accordance with the laws of this State unless the person: (1) becomes a resident of this State; and (2) has not been issued a permit from the sheriff of the county in which he or she resides within 60 days after becoming a resident of this State. (NRS 202.3688)

Existing law requires the Department to annually prepare a list of states which it determines are substantially similar to or more stringent than this State for purposes of issuing a permit to carry a concealed firearm. (NRS 202.3689) Section 4.5 of this bill ~~instead~~ requires the Department to determine whether each state requires a person to (1) complete any training, class or program that includes, without limitation, certain live fire training; (2) be 21 years of age; and (3) be not otherwise prohibited from possessing a firearm or otherwise denied a permit pursuant to laws similar to or more stringent than Nevada, for purposes of preparing the list.

Existing law provides that, except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in this State, and further provides that no county, city or town may infringe upon those rights and powers. (NRS 244.364, 268.418, 269.222) Sections 8-10 of this bill expand such rights and powers of the Legislature to include those necessary to: (1) regulate the carrying and storage of firearms, firearm accessories and ammunition; and (2) define all such terms. Sections 8-10 provide that certain ordinances or regulations which are inconsistent with these rights and powers of the Legislature are null and void and require the governing bodies of certain political subdivisions of this State to repeal any such ordinance or regulation. Sections 8-10 also authorize any person who is adversely affected by the enforcement of any such ordinance or regulation on or after October 1, 2015, to file suit in the appropriate court for declarative and injunctive relief and damages. Such a person is entitled to certain damages depending on whether and when the relevant governing body of a political subdivision repeals such an ordinance or a regulation.

Existing law also requires certain political subdivisions of this State in a county whose population is 700,000 or more (currently Clark County), which adopted ordinances or regulations before June 13, 1989, that require the registration of firearms capable of being concealed, to make certain amendments to such registration provisions. (NRS 244.364, 268.418, 269.222) Sections 8-10 additionally delete the provisions requiring certain political subdivisions of this State to make such amendments.

Assembly Bill No. 147 of the 1989 Legislative Session (A.B. 147) reserved for the Legislature the rights and powers necessary to regulate the transfer, sale, purchase, possession, ownership, transportation, registration and licensing of firearms and ammunition in this State. (Chapter 308, Statutes of Nevada 1989, p. 652) However, section 5 of A.B. 147 provided that the preemptive effect of the bill applied only to ordinances or regulations adopted by certain political subdivisions on or after June 13, 1989. Section 11 of this bill amends section 5 of A.B. 147 to include and preempt ordinances or regulations adopted by certain political subdivisions before June 13, 1989.

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

Section 1. NRS 200.120 is hereby amended to read as follows:

200.120 1. Justifiable homicide is the killing of a human being in necessary self-defense, or in defense of *an occupied* habitation, ~~property~~ *an occupied motor vehicle* or person, against one who manifestly intends or endeavors ~~by violence or surprise,~~ to commit a ~~felony,~~ *crime of violence*, or against any person or persons who manifestly intend and endeavor, in a violent, riotous, tumultuous or surreptitious manner, to enter the *occupied* habitation *or occupied motor vehicle*, of another for the purpose of assaulting or offering personal violence to any person dwelling or being therein.

2. A person is not required to retreat before using deadly force as provided in subsection 1 if the person:

- (a) Is not the original aggressor;
  - (b) Has a right to be present at the location where deadly force is used;
- and

(c) Is not actively engaged in conduct in furtherance of criminal activity at the time deadly force is used.

3. *As used in this section:*

(a) *"Crime of violence" means any felony for which there is a substantial risk that force or violence may be used against the person or property of another in the commission of the felony.*

(b) *"Motor vehicle" means every vehicle which is self-propelled.*

Sec. 2. NRS 200.130 is hereby amended to read as follows:

200.130 1. A bare fear of any of the offenses mentioned in NRS 200.120, to prevent which the homicide is alleged to have been committed, ~~shall not be~~ *is not* sufficient to justify the killing. It must appear that the circumstances were sufficient to excite the fears of a reasonable

person and that the ~~party~~ person killing really acted under the influence of those fears and not in a spirit of revenge.

2. *There is a rebuttable presumption that the circumstances were sufficient to excite the fears of a reasonable person and that the person killing really acted under the influence of those fears and not in a spirit of revenge if the person killing:*

(a) *Knew or reasonably believed that the person who was killed was entering unlawfully and with force, or attempting to enter unlawfully and with force, the occupied habitation or occupied motor vehicle, of another;*

(b) *Knew or reasonably believed that the person who was killed was committing or attempting to commit a crime of violence; and*

(c) *Did not provoke the person who was killed.*

3. *As used in this section:*

(a) *"Crime of violence" means any felony for which there is a substantial risk that force or violence may be used against the person or property of another in the commission of the felony.*

(b) *"Motor vehicle" means every vehicle which is self-propelled.*

Sec. 3. NRS 202.360 is hereby amended to read as follows:

202.360 1. A person shall not own or have in his or her possession or under his or her custody or control any firearm if the person:

(a) *Has been convicted in this State or any other state of a misdemeanor crime of domestic violence as defined in 18 U.S.C. § 921(a)(33);*

(b) *Has been convicted of a felony in this State or any other state, or in any political subdivision thereof, or of a felony in violation of the laws of the United States of America, unless the person has received a pardon and the pardon does not restrict his or her right to bear arms;*

~~(c)~~ (c) *Is a fugitive from justice; or*

~~(e)~~ (d) *Is an unlawful user of, or addicted to, any controlled substance.*

↪ A person who violates the provisions of this subsection is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.

2. A person shall not own or have in his or her possession or under his or her custody or control any firearm if the person:

(a) *Has been adjudicated as mentally ill or has been committed to any mental health facility; or*

(b) *Is illegally or unlawfully in the United States.*

↪ A person who violates the provisions of this subsection is guilty of a category D felony and shall be punished as provided in NRS 193.130.

3. *As used in this section:*

(a) *"Controlled substance" has the meaning ascribed to it in 21 U.S.C. § 802(6).*

(b) *"Firearm" includes any firearm that is loaded or unloaded and operable or inoperable.*

Sec. 4. NRS 202.3688 is hereby amended to read as follows:



202.3688 1. Except as otherwise provided in subsection 2, a person who possesses a permit to carry a concealed firearm that was issued by a state included in the list prepared pursuant to NRS 202.3689 may carry a concealed firearm in this State in accordance with the requirements set forth in NRS 202.3653 to 202.369, inclusive.

2. A person who possesses a permit to carry a concealed firearm that was issued by a state included in the list prepared pursuant to NRS 202.3689 may not carry a concealed firearm in this State if the person:

(a) Becomes a resident of this State; and

(b) Has not been issued a permit from the sheriff of the county in which he or she resides within 60 days after becoming a resident of this State.

~~3. A person who carries a concealed firearm pursuant to this section is subject to the same legal restrictions and requirements imposed upon a person who has been issued a permit by a sheriff in this State.~~

Sec. 4.5. NRS 202.3689 is hereby amended to read as follows:

202.3689 1. On or before July 1 of each year, the Department shall:

(a) ~~Examine the requirements for the~~ *Determine whether each state requires a person to complete any training, class or program that includes, without limitation, live fire training which meets any standards that are established by the Nevada Sheriffs' and Chiefs' Association or, if the Nevada Sheriffs' and Chiefs' Association ceases to exist, its legal successor, before the issuance of a permit to carry a concealed firearm in each that state . and determine whether the requirements of each state are substantially similar to or more stringent than the requirements set forth in NRS 202.3653 to 202.369, inclusive.*

(b) Determine whether the requirements of each state are substantially similar to or more stringent than requiring a person to be:

(1) Twenty-one years of age or older;

(2) Not otherwise prohibited from possessing a firearm pursuant to NRS 202.360; and

(3) Not otherwise denied a permit pursuant to subsection 4 of NRS 202.3657.

(c) Determine whether each state has an electronic database which identifies each individual who possesses a valid permit to carry a concealed firearm issued by that state and which a law enforcement officer in this State may access at all times through a national law enforcement telecommunications system.

~~(e)~~ (d) Prepare a list of states that meet the requirements of paragraphs (a), ~~and~~ (b), ~~and~~ (c). A state must not be included in the list unless the Nevada Sheriffs' and Chiefs' Association agrees with the Department that the state should be included in the list.

~~(d)~~ (e) Provide a copy of the list prepared pursuant to paragraph ~~(e)~~ (d) to each law enforcement agency in this State.

2. The Department shall, upon request, make the list prepared pursuant to subsection 1 available to the public.

Sec. 5. Chapter 33 of NRS is hereby amended by adding thereto a new section to read as follows:

1. *If a court issues an extended order pursuant to NRS 33.030, the adverse party shall not subsequently purchase or otherwise acquire any firearm during the period that the extended order is in effect.*

2. *A person who violates the provisions of subsection 1 is guilty of a category B felony and shall be punished by imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 6 years, and may be further punished by a fine of not more than \$5,000.*

Sec. 6. NRS 33.017 is hereby amended to read as follows:

33.017 As used in NRS 33.017 to 33.100, inclusive, *and section 5 of this act*, unless the context otherwise requires:

1. "Extended order" means an extended order for protection against domestic violence.

2. "Temporary order" means a temporary order for protection against domestic violence.

Sec. 7. NRS 41.095 is hereby amended to read as follows:

41.095 1. For the purposes of NRS 41.085 and 41.130, any person who uses ~~while~~:

(a) *While* lawfully in his or her residence, ~~or~~ in transient lodging ~~or~~ or in a motor vehicle that is not his or her residence, force which is intended or likely to cause death or bodily injury is presumed to have had a reasonable fear of imminent death or bodily injury to himself or herself or another person lawfully in the residence, ~~or~~ transient lodging or motor vehicle if the force is used against a person who is committing burglary, ~~or~~ invasion of the home or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon and the person using the force knew or had reason to believe that burglary, ~~or~~ invasion of the home or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon was being committed. An action to recover damages for personal injuries to or the wrongful death of the person who committed burglary, ~~or~~ invasion of the home or grand larceny of the motor vehicle with the use or threatened use of a deadly weapon may not be maintained against the person who used such force unless the presumption is overcome by clear and convincing evidence to the contrary.

(b) *Force which is intended or likely to cause death or bodily injury is immune from civil liability in an action to recover damages for personal injuries to or the wrongful death of a person against whom such force was used if the use of such force was justified under the applicable provisions of chapter 200 of NRS relating to the use of such force.*

2. As used in this section ~~-"residence"~~:

(a) *"Deadly weapon" has the meaning ascribed to it in NRS 193.165.*

(b) *"Motor vehicle" means every vehicle which is self-propelled.*

(c) "Residence" means any house, room, apartment, tenement or other building, vehicle, vehicle trailer, semitrailer, house trailer or boat designed or intended for occupancy as a residence.

Sec. 8. NRS 244.364 is hereby amended to read as follows:

244.364 1. *The Legislature hereby declares that:*

(a) *The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to keep and bear arms, which is recognized by the United States Constitution and the Nevada Constitution.*

(b) *The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.*

(c) *This section must be liberally construed to effectuate its purpose.*

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, *carrying*, ownership, transportation, storage, registration and licensing of firearms, *firearm accessories* and ammunition in Nevada ~~[-]~~ and ~~[-]~~ *to define such terms. No county may infringe upon those rights and powers. [As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.*

~~—2.]~~ 3. A board of county commissioners may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~[3.— If a board of county commissioners in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the board of county commissioners shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the county before registration of such a firearm is required.~~

~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the county upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4. Except as otherwise provided in subsection 1, as]~~

4. *Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a county in violation of this section is void.*

5. *A board of county commissioners shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the county must be removed.*

6. *A board of county commissioners shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the county or any county agency, board or commission, including, without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.*

7. *Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:*

*(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the board of county commissioners repeals the ordinance or regulation that violates this section.*

*(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final determination has been issued by the court, the board of county commissioners repeals the ordinance or regulation that violates this section.*

*(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.*

8. *This section must not be construed to prevent:*

*(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.*

*(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.*

*(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.*

*(d) The enactment or enforcement of a county zoning or business ordinance which is generally applicable to businesses within the county and thereby affects a firearms business within the county, including, without limitation, an indoor or outdoor shooting range.*

(e) A county from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the county.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.

9. As used in this section:

(a) "Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.

(b) "Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~[-~~

~~-(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~-(e) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.] or expanding gases.~~

(c) "Firearm accessories" means:

(1) Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or

(2) Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.

(d) "Person" includes, without limitation:

(1) Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.

(2) Any person who:

(I) Can legally possess a firearm under state and federal law;

(II) Owns, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a county; and

(III) Is subject to the county ordinance or regulation at issue.

(3) A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.

(e) "Political subdivision" includes, without limitation, a state agency, county, city, town or school district.

(f) "Public employer" has the meaning ascribed to it in NRS 286.070.

Sec. 9. NRS 268.418 is hereby amended to read as follows:

268.418 1. *The Legislature hereby declares that:*

(a) *The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to bear arms, which is recognized by the United States Constitution and the Nevada Constitution.*

(b) *The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.*

(c) *This section must be liberally construed to effectuate its purpose.*

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, *carrying*, ownership, transportation, storage, registration and licensing of firearms, *firearm accessories* and ammunition in Nevada ~~[-]~~ and ~~no]~~ *to define such terms. No city may infringe upon those rights and powers. [As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.*

~~—2.]~~ 3. The governing body of a city may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~[3. If the governing body of a city in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the governing body shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the city before registration of such a firearm is required.~~

~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the city upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4. Except as otherwise provided in subsection 1, as]~~

4. *Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a city in violation of this section is void.*

5. *The governing body of a city shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the city must be removed.*

6. *The governing body of a city shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the city or any city agency, board or commission, including,*

without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.

7. Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:

(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the governing body of the city repeals the ordinance or regulation that violates this section.

(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final determination has been issued by the court, the governing body of the city repeals the ordinance or regulation that violates this section.

(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.

8. This section must not be construed to prevent:

(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.

(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.

(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.

(d) The enactment or enforcement of a city zoning or business ordinance which is generally applicable to businesses within the city and thereby affects a firearms business within the city, including, without limitation, an indoor or outdoor shooting range.

(e) A city from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the city.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) *A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.*

9. *As used in this section:*

(a) *"Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.*

(b) *"Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~—~~*

~~(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~(c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.~~ *or expanding gases.*

(c) *"Firearm accessories" means:*

(1) *Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or*

(2) *Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.*

(d) *"Person" includes, without limitation:*

(1) *Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.*

(2) *Any person who:*

(I) *Can legally possess a firearm under state and federal law;*

(II) *Owens, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a city; and*

(III) *Is subject to the city ordinance or regulation at issue.*

(3) *A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.*

(e) *"Political subdivision" includes, without limitation, a state agency, county, city, town or school district.*

(f) *"Public employer" has the meaning ascribed to it in NRS 286.070.*

Sec. 10. NRS 269.222 is hereby amended to read as follows:

269.222 1. *The Legislature hereby declares that:*

(a) *The purpose of this section is to establish state control over the regulation of and policies concerning firearms, firearm accessories and ammunition to ensure that such regulation and policies are uniform throughout this State and to ensure the protection of the right to keep and*



bear arms, which is recognized by the United States Constitution and the Nevada Constitution.

(b) The regulation of the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in this State and the ability to define such terms is within the exclusive domain of the Legislature, and any other law, regulation, rule or ordinance to the contrary is null and void.

(c) This section must be liberally construed to effectuate its purpose.

2. Except as otherwise provided by specific statute, the Legislature reserves for itself such rights and powers as are necessary to regulate the transfer, sale, purchase, possession, carrying, ownership, transportation, storage, registration and licensing of firearms, firearm accessories and ammunition in Nevada ~~{,}~~ and ~~{no}~~ to define such terms. No town may infringe upon those rights and powers. ~~{As used in this subsection, "firearm" means any weapon from which a projectile is discharged by means of an explosive, spring, gas, air or other force.~~

~~—2.}~~ 3. A town board may proscribe by ordinance or regulation the unsafe discharge of firearms.

~~{3. If a town board in a county whose population is 700,000 or more has required by ordinance or regulation adopted before June 13, 1989, the registration of a firearm capable of being concealed, the town board shall amend such an ordinance or regulation to require:~~

~~—(a) A period of at least 60 days of residency in the town before registration of such a firearm is required.~~

~~—(b) A period of at least 72 hours for the registration of a pistol by a resident of the town upon transfer of title to the pistol to the resident by purchase, gift or any other transfer.~~

~~—4. Except as otherwise provided in subsection 1, as}~~

4. Any ordinance or regulation which is inconsistent with this section or which is designed to restrict or prohibit the sale, purchase, transfer, manufacture or display of firearms, firearm accessories or ammunition that is otherwise lawful under the laws of this State is null and void, and any official action taken by an employee or agent of a town in violation of this section is void.

5. A town board shall repeal any ordinance or regulation described in subsection 4, and any such ordinance or regulation that is posted within the town must be removed.

6. A town board shall cause to be destroyed any ownership records of firearms owned by private persons which are kept or maintained by the town or any town agency, board or commission, including, without limitation, any law enforcement agency, for the purposes of compliance with any ordinance or regulation that is inconsistent with this section. The provisions of this subsection do not apply to the ownership records of firearms purchased and owned by any political subdivision of this State.

7. Any person who is adversely affected by the enforcement of an ordinance or regulation that violates this section on or after October 1, 2015, may file suit in the appropriate court for declarative and injunctive relief and damages attributable to the violation. Notwithstanding any other provision of law, such a person is entitled to:

(a) Reimbursement of actual damages, reasonable attorney's fees and costs which the person has incurred if, within 30 days after the person commenced the action but before a final determination has been issued by the court, the town board repeals the ordinance or regulation that violates this section.

(b) Liquidated damages in an amount equal to two times the actual damages, reasonable attorney's fees and costs incurred by the person if, more than 30 days after the person commenced the action but before a final determination has been issued by the court, the town board repeals the ordinance or regulation that violates this section.

(c) Liquidated damages in an amount equal to three times the actual damages, reasonable attorney's fees and costs incurred by the person if the court makes a final determination in favor of the person.

8. This section must not be construed to prevent:

(a) A law enforcement agency or correctional institution from promulgating and enforcing its own rules pertaining to firearms, firearm accessories or ammunition that are issued to or used by peace officers in the course of their official duties.

(b) A court or administrative law judge from hearing and resolving a case or controversy or issuing an opinion or order on a matter within its jurisdiction.

(c) A public employer from regulating or prohibiting the carrying or possession of firearms, firearm accessories or ammunition during or in the course of an employee's official duties.

(d) The enactment of enforcement of a town zoning or business ordinance which is generally applicable to businesses within the town and thereby affects a firearms business within the town, including, without limitation, an indoor or outdoor shooting range.

(e) A town from enacting and enforcing rules for the operation and use of any firearm range owned and operated by the town.

(f) A political subdivision from sponsoring or conducting a firearm-related competition or educational or cultural program and enacting and enforcing rules for participation in or attendance at any such competition or program.

(g) A political subdivision or any official thereof with appropriate authority from enforcing any statute of this State.

9. As used in this section:

(a) "Ammunition" includes, without limitation, fixed cartridge ammunition and the individual components thereof, shotgun shells and the individual

components thereof, projectiles for muzzle-loading firearms and any propellant used in firearms or ammunition.

(b) "Firearm" ~~means~~ includes, without limitation, a pistol, revolver, rifle, shotgun, machine gun, submachine gun, black powder weapon, muzzle-loading firearm or any device which is designed to ~~be used as a weapon from which~~, able to or able to be readily converted to expel a projectile ~~may be expelled~~ through the barrel by the ~~force~~ action of ~~any explosion or~~ an explosive, other form of combustion ~~—~~

~~(b) "Firearm capable of being concealed" includes all firearms having a barrel less than 12 inches in length.~~

~~(c) "Pistol" means a firearm capable of being concealed that is intended to be aimed and fired with one hand.] or expanding gases.~~

(c) "Firearm accessories" means:

(1) Devices specifically designed or adapted to enable the wearing or carrying of a firearm or the storing in or mounting on a conveyance of a firearm; or

(2) Attachments or devices specifically designed or adapted to be inserted into or affixed on a firearm to enable, alter or improve the functioning or capability of the firearm.

(d) "Person" includes, without limitation:

(1) Any person who has standing to bring or maintain an action concerning this section pursuant to the laws of this State.

(2) Any person who:

(I) Can legally possess a firearm under state and federal law;

(II) Owns, possesses, stores, transports, carries or transfers firearms, ammunition or ammunition components within a town; and

(III) Is subject to the town ordinance or regulation at issue.

(3) A membership organization whose members include a person described in subparagraphs (1) and (2) and which is dedicated in whole or in part to protecting the legal, civil or constitutional rights of its members.

(e) "Political subdivision" includes, without limitation, a state agency, county, city, town or school district.

(f) "Public employer" has the meaning ascribed to it in NRS 286.070.

Sec. 11. Section 5 of chapter 308, Statutes of Nevada 1989, as amended by chapter 320, Statutes of Nevada 2007, at page 1291, is hereby amended to read as follows:

Sec. 5. ~~1. Except as otherwise provided in subsection 2, the provisions of this act apply to ordinances or regulations adopted on or after June 13, 1989.~~

~~2.] The provisions of this act [as amended on October 1, 2007,] apply to ordinances or regulations adopted before, on or after June 13, 1989.~~

Sec. 12. 1. The provisions of NRS 202.360, as amended by section 3 of this act, apply to an offense committed before, on or after the effective date of this act.

2. The provisions of section 5 of this act apply to an extended order pursuant to NRS 33.030 issued on or after the effective date of this act.

Sec. 12.5. Records relating to the registration of any firearm capable of being concealed pursuant to any ordinance or regulation adopted by a political subdivision before June 13, 1989, must be destroyed within 1 year after the effective date of this act.

Sec. 13. (Deleted by amendment.)

Sec. 14. This act becomes effective upon passage and approval.

Senator Parks moved the adoption of the amendment.

Remarks by Senator Parks.

Senate Bill No. 175 alters the requirements for automatic reciprocity for concealed carry permits issued in other states. As the text currently reads, it appears to at least double the number of states from which Nevada would be required to automatically accept a concealed carry permit. I have heard some estimates that Senate Bill No. 175 would allow automatic reciprocity for as many as 40 other states.

Automatically accepting a concealed carry permit is a high standard of trust to place in another state, especially considering that there are a whole range of states that simply do not take concealed carry safety as seriously as Nevada does. It is my understanding that, under the bill before us, at least some of those other states' permits would automatically be valid in Nevada.

I am offering Amendment No. 150 because I see a fundamental weakness in the reciprocity provisions of this bill, as currently drafted. This weakness leaves Nevada open to some potentially bad situations. It could well mean that people from out-of-state, who lack adequate firearms training, and who are potentially dangerous individuals, may think it is perfectly legal for them to carry a concealed weapon into Nevada simply because they have a license in another state on the reciprocity list.

Amendment No. 150 proposes to ensure that states that do not meet the same concealed carry standards to which we hold ourselves, will not make it onto the Department of Public Safety's automatic reciprocity list at all. The amendment revises section 4.5 of Senate Bill No. 175 to provide that, in regard to the list the Department of Public Safety must maintain concerning other states' concealed weapon permits, the Department must determine whether each state: 1) requires a person to take any class or program that included live fire training which meets standards developed by the Nevada Sheriffs' and Chiefs' Association; 2) requires that a person be 21 years of age; 3) requires that a person not be prohibited from possessing a firearm or otherwise denied a permit pursuant to laws similar to, or more strict than Nevada's.

In order to guide the Department of Public Safety in meeting these requirements, the amendment refers to Nevada Revised Statutes specifically NRS 202.360 and NRS 202.3657 which spells out what persons are prohibited from obtaining a Nevada concealed carry permit. This includes but is not limited to a person who is a convicted felon, a fugitive, a drug addict, a habitual abuser of alcohol or controlled substances, mentally incompetent, in the Country illegally, a domestic abuser or a parole or probationer.

Since this is also supposed to be a bill that keeps guns out of the hands of a domestic abuser, it seems particularly important to adopt this amendment.

We need to be careful that states like Florida, a state that has accidentally issued 1,500 permits to domestic abusers and felons, but has a training requirement that would seem to satisfy Senate Bill No. 175's current provision, do not get the benefit of automatic reciprocity here in Nevada.

This amendment is a common sense way to make sure that Nevada's standards, set by the Legislature for safety, that issuing concealed carry permits are not undermined by lax attitudes elsewhere. I hope you will join me in supporting Amendment No. 150 to Senate Bill No. 175.

Thank you.

Senators Ford, Manendo and Woodhouse requested a roll call vote on Senator Parks' motion.

Roll call vote on Senator Parks' motion.

YEAS—8.

NAYS—Brower, Farley, Goicoechea, Gustavson, Hammond, Hardy, Harris, Kieckhefer, Lipparelli, Roberson, Settelmeyer—11.

EXCUSED—Segerblom, Smith—2.

The motion having failed to receive a majority, Mr. President declared it lost.

Remarks by Senator Brower.

Senate Bill No. 175 essentially does four things. First it expands the list of prohibited persons who can possess a firearm in Nevada to include any person convicted of a domestic violence misdemeanor, as defined by Federal Law, 18 USC, section 921.a33. In addition, that part of the bill provides that anyone who is the subject of an extended protective order for domestic violence cannot acquire a firearm during the duration of that protective order.

The second component of Senate Bill No. 175 clarifies that justifiable homicide, under Nevada law includes the defense of an occupied habitation or vehicle.

The third part of the bill deals with the reciprocity provision, and it redefines Nevada Law CCW reciprocity criteria to require that a person complete training in their home state.

Finally, the fourth part of Senate Bill No. 175 deals with the preemption issue. In 2007, this Legislature previously preempted local governments from regulating many aspects of firearms possession, etc. This bill adds to the list of regulations to include carrying, storage and the regulation of firearms accessories. It provides that any local government that violates this preemption provision, that those regulations are null and void. This bill did receive unanimous support in the Judiciary committee, and I urge the Body's support today.

Roll call on Senate Bill No. 175:

YEAS—14.

NAYS—Atkinson, Denis, Manendo, Parks, Spearman—5.

EXCUSED—Segerblom, Smith—2.

Senate Bill No. 175 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 209.

Bill read third time.

Remarks by Senator Brower.

Senate Bill No. 209 removes the requirement that an honorably discharged veteran of the Armed Forces of the United States submit a copy of the DD Form 214 in order to have a designation of veteran status placed on his or her driver's license or instruction permit. Instead, this bill requires a veteran to submit satisfactory evidence of an honorable discharge or other document of honorable separation to Nevada's Department of Motor Vehicles.

This bill is effective upon passage and approval for the purposes of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out its provisions, and on January 1, 2016, for all other purposes.

Roll call on Senate Bill No. 209:

YEAS—19.

NAYS—None.

EXCUSED—Segerblom, Smith—2.

Senate Bill No. 209 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Assembly Bill No. 155.

Bill read third time.

Remarks by Senator Denis.

Assembly Bill No. 155 allows for the issuance of a special license plate recognizing professional firefighters to a retired firefighter who has earned creditable service in any jurisdiction outside of the State of Nevada. The applicant must provide proof of his or her former employment that is acceptable to the Department of Motor Vehicles. This bill is effective on July 1, 2015.

Roll call on Assembly Bill No. 155:

YEAS—19.

NAYS—None.

EXCUSED—Segerblom, Smith—2.

Assembly Bill No. 155 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senator Roberson announced that if there were no objections, the Senate would recess subject to the call of the Chair.

Senate in recess at 12:41 p.m.

#### SENATE IN SESSION

At 12:42 p.m.

President Hutchison presiding.

Quorum present.

#### MOTIONS, RESOLUTIONS AND NOTICES

Senator Roberson moved that the Senate resolve itself into a Committee of the Whole at 4:00 p.m. for the purpose of considering Senate Bill No. 252 with Senator Roberson as Chair and Senator Brower as Vice Chair of the Committee of the Whole in Room 1214.

Motion carried.

Mr. President announced that if there were no objections, the Senate would recess until 4:00 p.m.

Senate in recess at 12:45 p.m.

#### IN COMMITTEE OF THE WHOLE

At 4:38 p.m.

Senator Roberson presiding.

Senate Bill No. 252 considered.

The Committee of the Whole was addressed by Senator Roberson; Chris Nielsen, Deputy Chief of Staff, Office of the Governor; Jeremy Aguero, Principal Analyst, Applied Analysis; Senator Kieckhefer; Deonne Contine, Executive Director, Nevada Department of Taxation; Senator Lipparelli; Senator Ford; Senator Goicoechea; Senator Farley; Senator Hardy; Senator Brower; Linda Sanders; Alisa Bistrek; and Bonnie McDaniel.

SENATOR ROBERSON:

We are back in Committee of the Whole for a continuation of the discussion that we had Thursday night. I would like to call up Jeremy Aguero, Dionne Contine and Chris Nielsen. I anticipate that this will be the final Committee of the Whole meeting on Senate Bill No. 252. Many great questions were asked Thursday evening, and many of those questions were answered. I am hoping we can continue that dialogue tonight and get every question addressed to the extent it can be addressed. Mr. Nielsen, would you like to begin or who would you like to have go first.

CHRIS NIELSEN (Deputy Chief of Staff, Office of the Governor):

Thank you, Mr. Chair. I want to thank you and members of the Committee for devoting additional time for hearing Senate Bill No. 252, we certainly appreciate it. You should have all received additional information earlier today regarding some of the questions asked last week. Tonight, as the Chair has stated, in addition to answering any additional questions you have, we plan on going over some of the answers to questions Ms. Vallardo posed last week. We will also be going over possible amendments, some of which address issues that you have brought up, some of which are truly technical amendments and some of which are in response to the questions from others. I am going to turn it over the Jeremy Aguero who will go through the answers to Ms. Vallardo's questions posed to the Committee and to us last week.

JEREMY AGUERO (Principal Analyst, Applied Analysis):

In Thursday's hearing, Senator Ford asked me to provide some of my responses to the questions that were raised by the Nevada Taxpayer's Association into written form. I had the opportunity to speak with Ms. Vallardo on Friday, to clarify some of the questions and to make sure my understanding of the questions was complete and accurate so my responses could be complete and accurate. I submitted a memorandum earlier today to Senator Ford and copied that to the Committee. I will now walk through each one of those items and the recommended course of action.

The first of the issues brought forward by Ms. Vallardo is in section 4 of Senate Bill No. 252 and ask the question; "Why was the State's fiscal year used instead of the federal taxable year of the business?" Fiscal year means the 12-month period beginning on the first day of July and ending on the last day of June. The term fiscal year, as defined in section 4, is actually only used in the bill for the sections that are operative relative to how it will act in section 19. The primary concern of the Nevada Taxpayer's Association was why the fiscal year was used instead of the federal taxable year in terms of the business. The Nevada Taxpayer's Association, and some of the businesses that it represents, were concerned that essentially businesses would be required to maintain documents they might not otherwise be required to maintain. I will defer to Ms. Contine, the Director of the Department of Taxation, relative to the policies the Department of Taxation puts into place as to what is expected of taxpayers.

What is proposed is an amendment to section 15, subsection 2. Section 15, subsection 1, reads that: "Each person responsible for maintaining the records of a business shall: (a) keep such records as may be necessary to determine the amount of the business license fee owed by the business pursuant to the provisions of this chapter; (b) preserve those records for four years or until any litigation or prosecution pursuant to this chapter is finally determined, whichever is longer; and (c) make the records available for inspection by the Department upon demand at reasonable times during regular business hours." Subsection 2 of section 15 says: "The Department may, by regulation, specify the types of records, which must be kept to determine the amount of the State business license fee owed by the business." We have offered two amendments to subsection 2. The first adds a paragraph (a) which states: "Except as provided under paragraph (b)," regulations set forth by the Department relative to the records that must be kept by the taxpayer pursuant to this section shall specify the type of information that the businesses shall keep in the normal course of its financial recordkeeping." Again, just to say what I think the Department of Taxation uses in its normal course and, essentially, saying whatever records are normally kept by the business would be included. Paragraph (b) is proposed to be added to section 15.1 and reads: "In the event that a business elects an accounting method for calculation and reporting of the business license fee pursuant to section 50 of this act..." You will recall that in section 50 of the bill, a taxpayer has the ability to either elect an

accrual-based accounting or a cash-basis accounting. The proposed amendment continues by saying: "...that is different than the accounting method used by the business in its normal course of financial recordkeeping, the Department may establish regulations specifying the types of records that must be kept by that business to determine the amount of the state business license fees owed by the business." Again, paragraph (b), being solely in the event a taxpayer or business elects to use an alternative method of accounting, to allow the Department of Taxation to establish rules as to what the business will keep if it is not part of their normal course of business. That would be the first of the issues addressed.

Issue No. 2 deals specifically with section 14; the issue of earmarking. The concern here was: "Inferences to this tax was that it would be used to fund the education initiatives that the Governor outlined in his State of the State address. However, there is no reference in the bill to using the revenue generated by this tax for education." We discussed this briefly when we were here before. Section 14, subsection 2, says: "The department shall: Deposit all fees, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund." The Governor and his staff have laid out an extensive State plan relative to education reform and this money is supposed to go there. I had the opportunity to speak with Ms. Vallardo relative to the merits of earmarking revenue versus non-earmarking revenue. The Nevada Taxpayers' Association has long been an advocate. I am skeptical of earmarking any revenues. From that standpoint, the proposed action was to make it clear, on the record, that there is a linkage between this particular revenue source; that is the business license fee and the education funding. I think that was done by the Governor on March 18. I think it was done by Mr. Nielsen on March 19 in hearings in this room. Ms. Vallardo does make an excellent point, so I wanted to include it here.

Issue No. 3 goes to the definition of the term "primarily engaged in." This is answered in section 19.2 of the bill. In paragraph (c) it says: "Be accompanied by the state business license fee determined pursuant to sections 22 to 49, inclusive, of this act for the business category in which the business conducted by the person was 'primarily engaged' during the calendar quarter." There was concern the definition of primarily engaged was not clear and the Nevada Taxpayers' Association specifically asked the question: "What constitutes 'primarily engaged' by a business? Is it the amount of revenue received or the resources expended in conducting that business?" The response is, the business category in which the business is primarily engaged in shall be determined by the amount of revenue received by the business and not the resources expended in conducting that business.

The proposed action on issue No. 3 is to amend section 19 to include an additional subsection. This is listed as subsection 7 and states: "As used in this section, 'primarily engaged' means: (a) where a person has more than one business category in which business is conducted in this state; (b) where the classification of the person's primary business activity under the North American Industrial Classification System (NAICS) is not possible; (c) where the person conducts those same business activities under a single state business license; and (d) that business shall be deemed to be primarily engaged in the business category in which the majority of its Nevada gross revenue, as defined in section 6 of this act, is generated."

The intent is that in the event the NAICS codes definition break down on us, for whatever reason, we would default to the amount of revenue, and not resources expended, in determining what the business was primarily engaged in. I would be happy to take any questions about issue No. 3.

SENATOR KIECKHEFER:

I just want to make sure that I have this straight. If there is a business that is conducted in two areas that would fall under different NAICS codes and their majority of gross revenue would shift from one quarter to the next, would they be able to change their NAICS code from one quarter to the next? I thought they had to go through an audit process with the Department in order to change that.

MR. AGUERO:

The way that it is written now, theoretically they would shift, because it is based on each calendar quarter, and someone would go through the exercise of stating what that company was. Ms. Contine gave the example of the laundromat and pizza parlor. To the extent the revenues



from the laundromat and the revenues from the pizza parlor were essentially 50/50 one quarter, then 51 percent and 49 percent the next quarter, and then flipped back the other way, they would shift. Again, I would be surprised with 330,000 businesses we will find one that falls into that unique category, but yes, there is a possibility where someone could potentially flip from one category to another if their revenue changed.

SENATOR KIECKHEFER:

In the mechanics of implementation, is there an outline process if a person wants to change their NAICS code? Would it be possible or feasible for a business to actually do that on a quarter-by-quarter basis?

DEONNE CONTINE (Executive Director, Nevada Department of Taxation):

There is a process in the bill that says that if an entity registers and provides a NAICS to the Department and then they for some reason want to change their NAICS, have been misclassified or did not do it right when they first applied with us, they would let us know. They would have a process to let us know they wanted to change their NAICS, and we would look at their information. We would determine if they were primarily engaged in something different, and we would make the decision to change the NAICS code.

With respect to quarter-to-quarter changes, theoretically, they could ask us every quarter. Where the NAICS codes break down is, I think, a unique situation. We already capture NAICS codes for businesses. They supply the NAICS code, and I think in those unique situations, we would be prepared to have a conversation with the taxpayer. We would ask them what they are doing, how they are operating, what they are actually doing in their business and what they are organized to do. In those unique situations, where they are going to go back and forth between codes, we would attempt to work with them to figure out how to classify them. We would work with the taxpayers. I do not anticipate this to be a large group. The process of allowing them to let us know they are not in that NAICS to which they were assigned and have that conversation is important. What we did not want to happen was for people to change their NAICS without the Department knowing because that is information we will need to enforce these provisions.

SENATOR LIPPARELLI:

My questions are along the same lines, but I think I heard two different answers. I believe in Mr. Aguero's response he said NAICS would change from quarter to quarter based on the primary business. I think I heard Ms. Contine say that the Department is concerned, and a business would need preapproval because of the way it is structured now. A NAICS cannot change without the Department's permission. Please clarify this.

My second question is for legislative clarity, if a business broke down in three categories, with one part a 35-percent share and the other divided two equally, will the majority share determine the primary business?

MR. AGUERO:

The answer to your second question is "yes." It would be determined wherever the majority of your revenue is coming from.

SENATOR LIPPARELLI:

If it is split three ways and one of the elements is 35 percent that would be the primary business.

MR. AGUERO:

That is correct. With regard to your first question, I think Ms. Contine had it right. The NAICS definition is remarkably robust. If you look at all the companies classified by the federal government under that classification, there are a fraction of a fraction that go unclassified. To the extent a business would fall outside of section 19, subsection 7, paragraph (b)—that would not be possible to classify — those would be the only ones that would have that potential. There is a method and there is the ability for that taxpayer to come in and appeal to the Department of Taxation should they fall into that small category.

SENATOR FORD:

Mr. Aguero, you mentioned the federal government. I have a question regarding the use of NAICS by the federal government and specifically under the proposed amendment, section 19, subsection 7, paragraph (b). It says: "Where the classification of the person's primary business under the NAICS system is not possible." I am not sure what it means by "not possible."

The second question is, as I read the federal government's NAICS provisions, under the census website for example, it says companies generally have, primarily, one NAICS code; it depends upon what agency they are applying to. They can sometimes have up to five or six different NAICS codes when they are applying for federal grants and things of that sort. How would that impact Senate Bill No. 252? Do we have circumstances, here in Nevada, where a company has more than one NAICS code because they, in fact, operate differently under certain aspects? I get the revenue portion, but that is also the case under the Census Bureau. They typically go with revenue, but they acknowledge that there are sometimes five or six different NAICS codes a company uses, notwithstanding the revenue issue.

MR. AGUERO:

The structure relative to assigning a NAICS code for a specific line of business if you will is relatively robust. There are procedures. The definitions provided are really quite detailed. If I provide auto service, it is clear that I am providing auto service and I am not a retailer.

Your second question was regarding an industry that may have multiple NAICS codes for different lines of businesses it ultimately provides. In the example that Ms. Contine used last week, if I am a laundromat and a pizza parlor and I was going to apply for some sort of grant relative to my pizza parlor business, I might apply under that NAICS for that portion of the specific activity and utilize that. We are going to have to make sure we are thoughtful in our application of it what you are saying is, we are going for every employer business, the Nevada Department of Employment, Training and Rehabilitation has NAICS codes assigned. This is not something new or unique. There is one NAICS code. There are not multiple columns in that particular element, although I guess there could be if we needed to separate out them out for some reason. We also have this classification called "unclassified" within the document itself. To the extent that there was not a classification, we would always have that catch-all category. I realize that is not a perfect answer, but I would like to believe it applies to a fraction of a fraction of businesses that would have to deal with this sort of sub-categorization challenge. We are just going to have to work through it.

SENATOR GOICOECHEA:

This is more of a comment than a question. You are talking about 350,000 businesses filing quarterly, so we are just a little south of a million and a half payments on an annual basis. This is a tremendous load to audit no matter how you deal with it. We are talking about a business only having to pay this much. The chances of capturing an error in the first ten years will be nil to none I think simply because of the workload. Do you care to comment on that? I just do not know how you are going to really get into that with that many payments and filings.

MS. CONTINE:

The Department of Taxation currently has about 125,000 Sales and Use Tax license permit holders. We also have about 62,000 that are registered for the MBT. These will be in addition to those or many, even, some of the same, so I see as being a one-shot kind of process.

SENATOR GOICOECHEA:

I understand that, but again, you are going to be auditing for sales tax and for the Business License Fee and the MBT—a tremendous workload. I will be honest with you, I have some real misgivings about how this is going work. It is going to create a huge bureaucracy. I am not arguing the revenue side, but I am saying the clear bureaucracy and how we are going to access and determine who paid or who did not pay or who paid in the wrong category is going to be huge.

MR. AGUERO:

Issues No. 4 and No. 5 deal with the questions of audit basis and apportionment rules. There are really two issues that are here. Issue No. 4 is the basis for an audit and asks "When it comes

time to audit a business, what will be the basis an auditor will use to determine gross revenue?" We have talked about that in terms of my response to Issue No. 1. The records of the business will be used for the audit and for the determination of revenue.

Issue No. 5 is that of apportionment and the potential need for apportionment language in Senate Bill No. 252. As it is currently constructed, Senate Bill No. 252 avoids the need for most apportionment rules by defining Nevada revenue under sections 20 and 21 of the Act. Ms. Vallardo indicated it is important taxpayers understand there is a tradeoff between relying on specific line items taken from the federal corporate income tax returns of a business whereby apportionment would be required. The question was; "Since there is no apportionment formula to determine 'Nevada Gross Revenue' which is determined by the business, what will be the basis the auditor will use to audit Nevada gross revenue?" As Senate Bill No. 252 becomes the law, this Body is going to have to determine what elements will be included and what elements will not be included. One of the decision points was whether we should take revenue directly off the federal income tax return of a business. There was a conscientious decision not to do that because the revenue item on a federal income tax return would include revenue that we are not considering as Nevada revenue for purposes of the Business License Fee. If we did that, a business would report all of its revenue to the federal government which would require apportionment rules, either apportionment rules based on where revenue was earned or where employees were located or whatever other tasks this Body ultimately decided would be required. The key takeaway from my conversation with Ms. Vallardo was that the record needed to be made clear that the question of Nevada gross revenue and how it was defined is the reason why apportionment rules are not included as part of Senate Bill No. 252. That it Issue No. 5 and I am happy to take any questions.

SENATOR FORD:

This bill is based on Texas and on Ohio and parts of Washington is that correct?

MR. AGUERO:

Yes, Senator.

SENATOR FORD:

How have they done it when it comes to this apportionment issue? What has worked for them, or what has not worked, and how does this compare?

MR. AGUERO:

The vast majority of states have gone to a single-factor apportionment formula based on revenue although there are states that do it differently. Texas began with different apportionment rules and has ultimately migrated to a single-factor apportionment rule. Ohio, from where we borrow our definition, is doing essentially the same thing we are proposing to do here in Nevada. This was a decision point, but Ohio defined revenue in order to not have those same apportionment rules. There are also places like Washington that you asked about. You will recall we had conversations about things called throwback provisions that exist in some states. These essentially say all revenue will be taxed in a state. To the extent that any of that revenue is subject to a tax in another state, it will not be subject to tax in our state. However, if you do not pay tax on that revenue in that other state, you owe the tax in our State. That is difficult to enforce, and you can imagine the challenges associated with it.

One of the considerations that we had in crafting Senate Bill No. 252, as it is currently provided, was thinking about economic development in the State of Nevada and thinking about the fact that we are trying hard to grow, develop and retain businesses that sell things to five or six billion people around the world as opposed to only the 2.8 million that live here in Nevada. We tried to take those best practices, as we understood them, from those various states. However, each state is a little bit different relative to those rules.

SENATOR FORD:

Can you tell me how long Ohio's and maybe Texas' systems have been in place? I am interested in how they dealt with this. I do not understand what you mean by "single-factor apportionment." If our proposal is based on Ohio's, how long has Ohio been doing it and how has it worked for them?

MR. AGUERO:

I would have to go back and find out the dates and what they changed. Perhaps I can submit a memorandum much like I submitted here. I think we had a brief conversation before about when Texas started and how they changed things and why. The crux of your question seems to be what are the different apportionment factors and why are states going to this single-factor apportionment? Why is it better, why is it easier and why is it the right way to do it?

There are many ways in which you can apportion business revenue. You can apportion it based on where your employees are located. You can apportion it based on where your property is physically located, or you can apportion it based on where your sales take place. Sometimes jurisdictions will use all three of these factors to apportion revenue back to one location versus another. We had conversations relative to things like transportation services, where there are many states that will ask how many miles are driven in their state versus how many miles are driven in every state and will do a special apportionment for special types of industries such as transportation. I can probably give you a better synopsis of what states have changed and why they have changed, but I can tell you, based on my research and my knowledge, there has been a shift to a single-factor apportionment rule that has a tendency to be related to revenue simply because revenue has a greater nexus to the state in question. It is easier to track, and it is a little easier on taxpayers as opposed to this three-factor formula some states have had.

SENATOR FORD:

Texas has a single-factor apportionment, but Ohio does not, is that correct?

MR. AGUERO:

That is correct. Ohio is doing it the way we are doing it; no apportionment.

SENATOR FORD:

Under this bill, we do not have a single-factor apportionment?

MR. AGUERO:

No, we do not. The definition we are using for revenue, however, defines what Nevada revenue is. That is the technical equivalent of essentially apportioning only Nevada revenue into the State of Nevada. We have chosen not to use the apportionment formula, like used in Texas, because we have built the apportionment formula into our definition of revenue, and specifically, what is Nevada revenue.

SENATOR FORD:

I understand the latter part, but this begs the question if most states are going toward a single-factor apportionment, why did we opt to do something different?

MR. AGUERO:

We have followed the same pattern; we have just applied it differently. A great number of states also have a corporate net-income tax and their approach to apportionment would be different than what we would use.

SENATOR FORD:

That makes sense. I was given a note that the Ohio tax was effective July 1, 2005, so they have almost ten years of data. If you could please give me some information on how they have done things, I would appreciate it.

MR. AGUERO:

I will get that for you. The next question is listed as Issue No. 6. It is specific to the question of transportation companies. It relates to section 21, subsection 1, paragraph (e) of Senate Bill No. 252. The question was: "Regarding transportation what records will the Department require to determine that the origin and destination were in the State? What if the original destination was outside the State, with drop-offs made within the State?" Our response to this is, if a good is transported from one point inside the State to another point inside the State, it shall be deemed Nevada revenue for purposes of the Business License Fee. The Department will need to develop regulations regarding how this will be documented by businesses for auditing purposes. Transportation companies are already documenting their miles whether intra-state—certainly

some businesses have indicated the need to be able to differentiate when they doing business between cities such as Henderson and North Las Vegas—and these companies are well established in tracking their mileage pursuant to the International Fuel Tax Agreement. We need to understand what is inside the State of Nevada, and the Department of Taxation will ultimately develop regulations to insure this is done consistent with how businesses would normally track that type of activity.

The next question is Issue No. 7: "What formula was used to create the difference in rates between the various NAICS codes and tiers?" The answer to this is seen in sections 23 through 49 of the bill where the rates are set forth. We discussed this when we walked through the steps. There is also a file uploaded to the Governor's website that shows the numbers in each of these calculations. The eight steps used to ultimately get to the rates that apply as part of Senate Bill No. 252 are provided in the memorandum you have received.

SENATOR LIPPARELLI:

If we look at section 27 of the bill, which contains the manufacturing business NAICS codes, there is no accommodation for a business that is a super low-margin business—someone who might be operating off single-digit gross margin versus a business that might be operating with a 40-percent gross margin. The net effect of this would be the effective rate of tax on the low margin business is going to be dramatically higher than on the business that operates with a high gross margin. Is that just a fact of life of the bill?

MR. AGUERO:

The brief answer is "yes." This was another decision point. The goal was to try to eliminate as much of that as we could by creating differential rates across 30 industries. There will be cases within individual industries where there is the potential for some degree of inequity when one company has high-margin low-volume and the other has high-volume low-margin. When you say effective tax rate, the effective tax rate on the top line would be similar but the rate on the bottom line would be different.

The next issue deals with the classification of the industry "unmanned aerial vehicles." This is referenced in section 30, subsections 1 and 2 of the bill. The question was: "Does this category also include unmanned aerial vehicles?" There was a question about how an unmanned aerial vehicle (UAV) business would get classified under the NAICS. As Mr. Nielsen said, Nevada is at the leading edge of this industry and has appealed to the federal government in terms of changing the NAICS and creating some classifications for this. My response is, it depends. If the UAV, is being manufactured in Nevada, the company would be considered a manufacturing firm. If we are looking at research and development related to UAVs, the company would be considered research and development. If I am a retailer deploying it to deliver goods, it would be part of a retail operation. My response in the memorandum goes into some other general examples, but the category is based on the industry in which the business operates as opposed to the instrumentalities of that industry. As the economy evolves around us, we are doing everything we can as a state to keep pace.

SENATOR GOICOECHEA:

I would like to go back to Issue No. 6. If all of the 350,000 business paid their \$100 fee quarterly, what would that generate?

MR. AGUERO:

Let me make sure I understand the question. If there are 330,000 businesses, they are paying about \$123 million.

SENATOR GOICOECHEA:

I was just curious what that number was.

MR. AGUERO:

Issue No. 8 is the due process issue. The question asks: "Will the Secretary of State put a due process procedure in place?" I am referencing section 51 of the bill, where it addresses this issue. The response is "yes." The proposed action is to add an additional section to the act that reads essentially, "Revocation of a Business License: Procedure; limitation on issuance of new license.

1. If a person who holds a state business license fails to pay the state Business License Fee and any penalties and interest, the Department may revoke or suspend the state business license of the person after a hearing of which the person was given prior notice of at least 10 days in writing specifying the time and place of the hearing and requiring the person to show cause why his or her license should not be revoked.
2. If the person who holds the state business license is an entity organized pursuant to title 7 of NRS, the written notice must include that a revocation of the business license fee will revoke the entity's charter or authority to transact business in this State.
3. The notices may be served personally or by mail in the manner prescribed for service of notice of a deficiency determination.
4. The Department may not issue a new state business license after the revocation of a state business license unless it is satisfied that the former holder of the permit will comply with the provisions of this chapter relating to the business license fee and the regulations of the Department."

This is the standard language in NRS today relative to this same type of due process.

MS. CONTINE:

It is a variation of what we would do at the Department if we were to revoke a seller's permit.

SENATOR LIPPARELLI:

Ms. Contine, in the early days of the implementation of this bill, it is likely there would be disagreements over whether some revenue should or should not have been included. Is there a set of standards you operate under in case of a dispute when the Department makes an allegation the tax is owed and the taxpayer disputes this and thinks the transaction occurred out of State? Does this revocation decision rest with you?

MS. CONTINE:

It would be in the nature of an order to show cause for the Department, and it would be held before the hearing officer or the administrative law judge. It would be appealable to the Nevada Tax Commission up through the Supreme Court if the tax payer or fee payer wanted to do that.

SENATOR LIPPARELLI:

The revocation occurs at the time the Department makes the decision that it does not agree with the taxpayer. Then, the hearing officer validates your revocation, is that correct? Is the business license revoked at that point? When does the revocation actually occur?

MS. CONTINE:

For our purposes now, we do not revoke a seller's permit unless the Nevada Tax Commission has adopted the hearing officer's decision.

SENATOR LIPPARELLI:

They go through their series of relief steps, and then, the revocation takes place, correct?

MS. CONTINE:

That is correct.

MR. AGUERO:

Issue No. 9 addresses the question of: "How does a business treat interest income?" This is discussed in Senate Bill No. 252, section 5, line 8 and section 20. Section 20, subsection 1, paragraph (1) through subsection 2, paragraph (g) states that "interest income other than interest on credit sales" shall be subtracted from Nevada gross revenue. Interest earned on a savings account, for example, would be excluded from the definition of Nevada revenue, however a receipt from a monthly interest fee on a financed washer or dryer would be included in the definition of Nevada gross revenue, and therefore, subject to the BLF. The idea is for interest to be exempt unless it is on an installment credit sale.

Issue No. 10, on the top of page 9, asks: "If a business sells equipment, would that be included in the definition of Nevada gross revenue?" Section 20, subsection 1, paragraph (n) of Senate Bill No. 252 references the elements of the Internal Revenue Service Code that are subject to capital assets. Any of those capital assets—if I am running a company and I sell my

business, or any capital assets—are not included in total revenue of Nevada revenue for purposes of Senate Bill No. 252.

Issue No. 11 relates to the look-back at the grace period upon audit. I am referencing section 161 of the bill. Ms. Vallardo brought up an interesting point: "What happens if a taxpayer is audited two or three years after the BLF becomes effective, and the Department determines the taxpayer did not properly calculate its BLF tax liability? If the Department looks back to previous years, as they are allowed to do under Nevada law, the taxpayer could still incur penalties and interest during the phase-in grace period." The intent is to ensure the grace period is exactly that, a grace period to the extent to which the taxpayer acted in good faith and used ordinary care and no underpayments were intentional or the result of willful neglect.

The action proposed is to add a second subsection to section 161 which would read: "Subsection 1 shall apply irrespective of the point in time at which the Department makes the determination that the taxpayer failed to comply with the act prior to September 1, 2016." This says, in the event there is a look-back, the same grace period provisions exist.

SENATOR FARLEY:

What exactly would trigger an audit? Under federal law or NBT, it would be an abnormality. You see something that looks weird or requires a great deal of money. In my situation, I have different lines of revenue in a construction company, and sometimes, I may have nothing in the concrete side and I may have a lot in the paver side or vice versa, or in supplies or different things. If my year goes weird and I report nothing in one industry and a bunch of money in another LLC, what triggers an audit under that scenario?

MS. CONTINE:

For the Sales and Use and other taxes we administer, we have risk factors assigned that are computer generated. We sometimes find there is an industry where we discover this is not being done correctly, or sometimes, we get an audit lead. We have different factors we place into the system, and it runs the process which is then assigned to the auditors.

MR. AGUERO:

Issue No. 12 relates to page 2 line 32 of the Legislative Council's Digest of Senate Bill No. 252. It was brought to our attention the line that reads: "However under section 161 of this bill, no penalties or interest may be imposed for failure to pay the quarterly state business license fee which occurs before September 1, 2016." Section 161 also indicates the provision only applies where the taxpayer makes a good faith effort to pay and did not intentionally or willfully adjust, and therefore, the Legislative Digest should probably be amended to reflect that language as well.

Issue No. 13 is addressed in section 8, subsection 2, of the bill where the definition of an affiliated group is given. Subsection 2 reads: "As used in this section: (a) Affiliated group means a group of two or more businesses, each of which is controlled by one or more common owners or by one or more members of the group." Paragraph (b) in this subsection reads: "'Controlled by' means the direct or indirect ownership, control or possession of the power to vote 50 percent of the outstanding voting securities of a business."

There are two issues here. The first is that it states: "the power to vote 50 percent of the outstanding voting securities." We would recommend it say: "not less than 50 percent," so as not to create confusion that you would only have specifically 50 percent. The second element of paragraph (b) talks about "outstanding voting securities of a business." This would apply to a corporation but would not necessarily apply to a partnership or something along those lines. The recommended amendment is that the "controlled by" definition be revised to read: "Controlled by means, the direct or indirect ownership, control or possession of not less than 50 percent of the business." This eliminates the outstanding voting security language and ensures it is 50 percent or more.

SENATOR LIPPARELLI:

For purposes of legislative intent then, a 49-percent ownership would not trigger common control, is that correct?

MR. AGUERO:  
That is correct.

SENATOR LIPPARELLI:  
Thank you.

MR. AGUERO:

Issue No. 14 deals with the question of pass-through revenue and an "and" that probably should have been an "or" for purposes of the bill. This is found in section 8, subsection 1, where it begins: "Pass-through revenue means..." It then lists paragraphs (a) through (c) and continues with paragraph (d) which reads: "Revenue received by a business that is mandated by contract or subcontract to be distributed to another only if the revenue constitutes: (1) Sales commissions that are paid to a person who is not an employee of the business, including, without limitation, a split-fee real estate commission; (2) The tax basis of securities underwritten by the business, as determined for the purpose of federal income taxation; and (3) Subcontracting payments under a contract or subcontract entered into by a business to provide services, labor or materials in connection with the actual or proposed design, construction, remodeling, remediation or repair of improvements on real property or the location of boundaries of real property;" After paragraph (d), subparagraph (2), there is the word "and." The intent was that any of those subparagraphs would apply. The recommendation is to replace the "and" with an "or."

Issue No. 15 addresses a question brought up under section 19 of the bill. This relates to provisions for small businesses and the need to create a special mechanism whereby small businesses would have the ability to report annually in order to streamline the administration of the tax. We propose adding an additional provision under section 19 that would read: "The Department may make regulations to permit certain small businesses to file and pay the business license fee annually." The intent is to streamline the administration of the tax.

SENATOR HARDY:

Under this proposed amendment, are you saying small businesses would only have to fill out an attestation and they could pay all at once as Senator Lipparelli asked? They would not have to fill out the big form, just an attestation of what they owed, and that is what they would pay, without having to pay an accountant quarterly? Is that correct?

MS. CONTINE:

I discussed this with Senator Lipparelli, today, to better understand what he envisioned. I am still working through this with my staff and administration to determine how we can make this happen. I asked for this proposed amendment now so it is clear we could do that. That we could take into consideration the taxpayers and the administration of the tax and could develop rules during the regular rule-making process with notice. This would allow small businesses to give us some insight into how they would like it to operate. That was my attempt, for today, to do that in the interest of time. It has not been completely thought through, and we do not have the information from staff that is needed.

SENATOR HARDY:

That is still being processed.

MR. AGUERO:

Issue No. 16 is specific to the treatment of revenue that is subject to insurance premium tax in the State of Nevada. Section 20, subsection 1, paragraph (e) of the bill reads; "If the person is conducting the business in this State and is required to pay the tax imposed pursuant to chapter 680B of NRS, the amount of the total income derived from the direct premiums written and all other considerations for insurance, bail or annuity contracts used to determine the amount of the tax imposed pursuant to chapter 680B of NRS."

The recommended amendment would revise this to include other sections of NRS including NRS 685A.180 and NRS 694C.450, both of which are also part of the calculation for the insurance premium tax. There are also some revenues for which insurance premiums are paid but which are not subject to the insurance premium tax because they are things like Medicare. For purposes of this section, an additional sentence would indicate any income derived from



premiums exempt by federal law from the tax imposed pursuant to the NRS chapters I just mentioned, shall also be subtracted from gross revenue. The idea is to be complete, relative to the insurance premium revenue, as part of the subtraction for purposes of Senate Bill No. 252.

SENATOR KIECKHEFER:

In paragraph (c) of the section 20 that you referenced, it discusses gaming revenue not being subject. That is a tax being paid by those gaming entities, and there is no mechanism to pass it on to the consumer. In paragraph (d) it references mining taxes and a specific tax is paid on the net proceeds by those companies, and there could be situs issues if we try to apply that here. Regarding insurance premiums, taxes are paid by the consumer and are built into the rates. They are not paid by the companies. Why are we deducting insurance premiums from gross revenue?

MR. AGUERO:

The structure of the revenue sources we looked at also included that. There were policy reasons behind it, primarily, not increasing the cost of things like health care in a state like Nevada where we already have a relatively high insurance premium tax. Your point is an excellent one. There is a clear distinction between the first two examples you mentioned and this one. It is a policy point this Body will need to consider and ultimately adopt. The thought process was it is already a tax on gross and it is a tax that would have the potential of adding increased costs, essentially to things like health care, and that was problematic. Additionally, the structure we were looking at to do the estimate did not include that so trying to add it back in would have been particularly problematic.

SENATOR FARLEY:

When you add a tax, it increases the cost of everything, not just health insurance. Please explain to me again. When you buy insurance, the consumer pays the tax directly, that premium goes in and that revenue goes in. Is the only reason because you did not want to increase the cost of have that industry pass it along? Everything is expensive when you have to adjust for cost, and I do not understand. Can you explain that at my level?

MR. AGUERO:

It was simply a choice as to which pieces would be part of this exemption and which would not. There are two that are pretty distinct. One is gross gaming revenue, which is subject to a tax of 6.75 percent on gross. As Senator Kieckhefer said, it is tough to pass this on to the consumer. The price of a game of blackjack is the price of a game of blackjack, and you either win or lose. It is difficult to increase that cost.

Article 1, section 10 of the Nevada State Constitution, addresses the net proceeds of minerals and limits the ability to tax mining proceeds. It is also subject to the net proceeds of minerals tax and is unique in and of itself. You bring up a third item that deals with insurance premiums and is found in paragraph (e). This does not fit into the other two categories. It is arguably more akin to a retail sales and use tax than it is to a tax like the gaming tax. There are, however, some unique circumstances. First, insurance premiums are largely based on health care. There are other actions to be cautious of relative to the burdens imposed on health care and related activities. Second, we already have a relatively high Insurance Premium Tax in Nevada, and there was conscious thought given to that.

We looked at the structure of the individual industries. That component part was left out in places like Texas where it had been removed. That carried over to what we have here as well. I understand the distinction. It is a policy point that will need to be evaluated as you are looking at this bill. I do not want to dismiss the point made by Senator Kieckhefer that there is a distinction.

Issue No. 17 is a relatively minor one and is addressed in section 21, subsection 2, where it reads: "...the use an alternative method of situsing gross revenue to this State." The word "of" is omitted and the recommended amendment is to change that clause to read "...the use of an alternative method of situsing gross revenue to this State."

Issue No. 18 is the concept of nonemployer businesses. This is in section 22, subsection 1, of the bill. In this section it reads: "The state business license fee required to be paid by a person conducting business in this State that did not pay any wages in this State during the quarter is

\$100." This is essentially a way of treating nonemployer businesses separately from employer businesses as part of the business license fee as it is currently proposed. I would note, if a company is actually a nonemployer business, we do not care if they are paying wages to someone in the State of Nevada or outside the State. The proposed amendment removes the second point in subsection 1 that reads "in this State" so the section would read: "The state business license fee required to be paid by a person conducting business in this State that did not pay any wages during the quarter is \$100." If they are doing business in the State of Nevada they are subject to the business license fee.

In section 22, subsection 1, an additional question arose regarding the concept of a person being able to use an employee-leasing company. This would be a firm where a business could hire employees to work for them for a period of time. The question was asked whether someone could use this structure to circumvent their tax liability. Could they put all of their revenue in one company and, then, lease all of their employees to come in and work? We do not want companies to restructure along these lines, so we have offered a second amendment that would come under a new subsection 2, which reads: "To the extent that a person conducting business in this State reports no wages pursuant to subsection 1, if that business was a client company as defined by NRS 616B.670, NRS 616b.670 is merely a client of an employee leasing company at any point during the calendar quarter, that business shall be deemed to have conducted business in the State and to have paid wages during the quarter." Therefore, they will not be able to default to the minimum simply because they rented their employees instead of hiring them.

SENATOR LIPPARELLI:

To be sure I am clear, you are saying a W-2 employee will fall under section 1, correct? If I decide to pay W-9 wages to five outside consultants to my company, is that revenue included in wages under NRS 612.190?

MR. AGUERO:

Independent contractors hired to do accounting or legal work are not employees, they are hired simply to assist with something. If I went to an employee-leasing firm, such as Manpower, and requested ten employees—there is specific language in NRS that relates to this with minimums of how many employees and specific rules and you would have to be above that threshold—they would be considered employees. This is not intended to capture someone who is merely hiring a contractor or a consultant or other agent to do a process on behalf of a sole proprietor. It is intended to make the Business License Fee in Nevada unavoidable in the event a company is leasing its employees from another company that is in the business of leasing employees.

SENATOR LIPPARELLI:

Would you agree with that statement Ms. Contine?

MS. CONTINE:

Yes.

MR. AGUERO:

Issue No. 19 is a minor issue brought up in the first hearing we had. Section 33 reads: "The other transportation business category...includes all businesses primarily engaged in: (a) Water transportation, including, without limitation, the transportation of passengers and cargo using watercraft; (b) Transit and ground passenger transportation, including, without limitation, charter buses, school buses, interurban bus transportation..." and then it says "taxes". This should read "taxes". Ms. Benitez-Thompson identified this, and we recommend this section be amended to state the word "taxes" instead of "taxes".

The last issue is Issue No. 20 which pertains to accounting method. Section 50 of the bill as drafted states: "A business's method of accounting for gross revenue for a calendar quarter for the purposes of determining the amount of the state business license fee must be the same as the business's method of accounting for federal income tax purposes for the business's federal taxable year that includes that calendar quarter." A question arose as to whether a business would want to opt into a cash basis for accounting or an accrual basis and why a business should be locked into one type. We tried to make this easy for businesses, and I am sure you will do the

same. The recommended amendment would be to revise section 50, subsection 1, to read: "A business may use either a cash or accrual basis of accounting for calculating and reporting its business license fee pursuant to this act." Subsection 2 would read: "A business entity may not change its accounting method used to calculate its business tax liability more often than once every three years without the express written consent of the Department. A change in accounting methods is not justified solely because it results in a reduction of tax liability." The goal is to try to allow a taxpayer's desire to use an alternative method of accounting if it is better for the taxpayer, but not to allow them to come back and forth with this change every year. That is the end of our list of questions and responses that were requested, and I will answer any questions.

SENATOR FORD:

Did we receive an answer to the question about the lawyer providing services to someone outside the State?

MR. AGUERO:

It was not recommended that the content in the bill be changed. Director Contine and Mr. Nilsen have asked me to prepare some examples relative to those services. If it would be helpful to this group, I would be more than willing to supply those examples to you.

SENATOR FORD:

I am still confused by it. Any explanation you could provide would be greatly appreciated.

SENATOR BROWER:

I had a brief discussion with Ms. Contine today and I think we clarified this. My understanding is the payments to a lawyer who is handling litigation matters venued in Nevada, for a company located anywhere else, would be subject to this fee. The idea is the domicile of the payor should not matter, rather the situs of the services rendered should matter. If it is in Nevada, it should be subject to the fee. That is my understanding.

MR. AGUERO:

That is exactly correct.

SENATOR HARDY:

Do we have a definition of "small business"?

MS. CONTINE:

No, we do not.

SENATOR HARDY:

Could it be construed to be one of those paying the \$100 fee or tied to a fee, or how would it be defined?

MS. CONTINE:

We need to figure this out based on the revenue. Senator Lipparelli suggested \$1 million per year of revenue. He suggested in our conversation today \$1 million per year of revenue would put a business in most categories in liability for around \$4,000 a year. I did not have the chance to review all of these amounts or have this conversation with my staff on how to administer this. We still need to determine this. I think it is important for the taxpayer and the Department to streamline this process. I would like to take a bit more time to think about how we might do that. If we were to create a regulation, we could receive input from businesses about how they see it working for them as part of that process.

SENATOR HARDY:

I look at the businesses under the MBT who did not pay anything, 117,000 businesses. Is there a nexus we can use in the MBT to define what would be considered a small business by having a look backwards at it?

MS. CONTINE:

I am trying to narrow it by looking at the charts in the various categories and thinking about what an entity's revenue might be.

MR. NIELSEN:

As the former Director of the Department of Taxation, a couple of things come to me. The sales tax default rule is that a business files monthly. If the business has de minimis sales or is at a certain threshold according to regulation, it is allowed to file either quarterly or annually. This is based on sales for sales tax. The proposed regulation will give the Department flexibility, through the regulation process, to allow for annual filers. I believe this will be based on revenue or, perhaps, on the quarterly liability, but I think we will all be using the same type of thinking. There are small businesses, and there is a cost to compliance. We do not want to unduly burden those types of businesses.

SENATOR KIECKHEFER:

Ms. Contine, the percentage of filings you anticipate to audit was touched upon briefly last time, and I would like to get some clarity on this. Is there a set percentage you anticipate auditing?

MS. CONTINE:

Currently, we have an audit penetration rate of about 1 percent. I anticipate, but have not done a review of the current biennium, although we are not asking for additional auditors ... I do not know the exact number but anticipate an audit penetration rate of one percent for the out years.

SENATOR KIECKHEFER:

If there were 330,000 businesses that were required to file quarterly, that would be 13,200 audits annually at a one-percent penetration rate. How many auditors would that take?

MS. CONTINE:

We have certain categories of fee payers. Currently, we have sole proprietors, nonwage businesses and the Title 7, or the incorporated businesses that are out-of-state. They would be in the \$400 category. Unless there was something really going on with them, I do not know that we would target them for audit. I do not know how many people we have asked for, but I will have that information soon.

MR. NIELSEN:

To add to that, the current audit penetration rate is one percent, which is fairly consistent from state to state. I do not look at this as to how many businesses are being audited. The program that provides the audit inventory looks at a number of things and randomly selects 5 to 10 percent of the taxpayers. There is a component that looks at different sectors of the economy that are typically problematic. It also looks at the high-revenue tax payers. This occurred as a result of an audit done on the Department and a recommendation to change. That component is also part of the risk factor. It is not how many businesses are being audited, it is much of the overall revenue share being generated by this business license fee is being audited. It is similar to mining audits. I am asked how many mining audits have been done. Well, two of the largest mining companies have been audited in two years. That equals a 90-percent share of the tax-type.

SENATOR KIECKHEFER:

The one percent is not necessarily a direct relationship to the number of filings you receive. It is a relationship to the amount of revenue you collect?

MR. NIELSEN:

That is correct, as a part of the overall selection methodology.

SENATOR KIECKHEFER:

In the Executive Budget, you request 24 additional positions for implementation, but these do not include auditors, is that correct?

MS. CONTINE:

That is correct.

SENATOR FARLEY:

When I roll up all my companies that is how I pay federally on income. When you see abnormalities, this is normally a flag. It may be that I have high revenue over here and a quarter where there was lower revenue or no revenue. That whole structure is built to protect revenue and my company and my assets. In thinking about that, and how much I have spent on lawyers to set that up, I do not know what you do differently. I think a lot of businesses are going to be in that boat of splitting up revenue to protect profit, assets and employees. Now, it sounds like this is going to be a flag for an audit. I do not know how you cannot look at that. It is why the federal government has you roll up.

MS. CONTINE:

We do not now have a revenue tax in Nevada. We do not have an audit system for that. I anticipate working with my audit staff to come up with the audit programs like we have for our other tax types. Our goal would be to identify the highest-risk tax payers. You are probably going to be doing everything right. We would not necessarily be targeting a certain type of business. If an entity is generally doing the process correctly, we are not looking to target them. We are looking to use our resources in the most efficient manner. I do not know if we would target your business. I think we would have to ramp up our process. We have not asked for auditors in the first two years because, initially, we are talking about education and getting the word out. We want to provide some education for people. We are going to have to audit, but that will be in the out years.

SENATOR GOICOCHEA:

After the first biennium, how many auditors do you anticipate you might need to handle this workload?

MS. CONTINE:

Our fiscal note for the out-biennium is due tomorrow. I think I have a note about this in my email. I will check it and tell you in a little while.

SENATOR ROBERSON:

Before I ask the witnesses for a final summation of Senate Bill No. 252, are there any more questions for them?

SENATOR GOICOCHEA:

I am still concerned about the situs in the State and how it will impact the agriculture sector. Since the bill has been introduced, I have had people talk about how, for example, they will no longer sell their hay products in Fallon. They would rather ship them over the hill. I realize we are not talking about a large amount of money, and when people look at it, they will realize for \$100,000 in revenue, they cannot afford to change buyers. The bottom line is this is still a concern. We typically ship our livestock out of State, but hay producers are discussing not shipping in-State because they would be then liable for the gross receipts on that hay. They would rather ship the hay to California and avoid the tax. I do not know how we fix this. It is not major, but it is a concern with the bill. Do you have any ideas on how we might fix this?

MR. AGUERO:

My response is the same as we have given before. We want to do everything we can to avoid that type of activity. I keep coming back to how low the rate truly is to generate roughly \$250 million at stabilization for the State of Nevada with regards to agriculture which is a low rate within a low rate. From a neutrality standpoint, we would not want businesses to do that. We would hope everything else the State can provide—the distances, the transport, all of those things—would ultimately be the determining factor. I recall hearing a lot about this in 2003 with the gross receipts tax, and there were legitimate arguments there. We were talking about potential implications of things like property taxes and caps on agriculture. Some of those have probably materialized and created some concerns for the industry, but it continues to move on and find ways to move past them. If there is a way to make it better, please let me know and I will certainly try to do it. Your point is an excellent one, and one we are all concerned about managing to the best of our ability.

SENATOR GOICOECHEA:

I agree. I just wanted to make sure you understood those comments are out there and that there are a lot of them.

MS. CONTINE:

I would like to reemphasize that the audit is my job, and it is the job of my staff to be trained on any new system that would come on board. I am fully prepared to do that—to work with them, to educate them, to educate taxpayers—so we are in a position to properly administer the tax. Having said that, I want to alleviate any concerns that we would be attempting to go after tax payers or that we do not have an understanding this is new and would involve a learning process for businesses. I know, as new programs have come online, we have historically dealt with this issue over time. There is an understanding that it is a learning process. There are some protections designed to acknowledge that within the bill itself such as what I am calling a "mini-amnesty program." I want to alleviate concerns that the Department will not be looking at it that way as well. This is new program, and we know it is our job to help educate taxpayers in addition to helping enforce the provisions. I hope that helps clear up some audit concerns.

SENATOR ROBERSON:

Were these same types of concerns raised when the Modified Business Tax was first implemented?

MS. CONTINE:

Yes, I am sure they were. I was not there in 2003, but we have gone through this process before, I have staff within my office who have been there for that long. There is an understanding that new things come on board, and it is our job to educate and help taxpayers out through that process.

MR. AGUERO:

I am not going to recap everything we have done the last three days. Since 2001, I have spent the better part of my career studying the economy and tax system of the State of Nevada. I have enjoyed that. I do not know that I have ever been part of a discussion quite like the one we have had in the last few days. I am impressed by the questions we have received and the nature of the dialogue surrounding what is a critically important issue for the State of Nevada. I am available to answer any questions and would like to thank you for allowing me to be a part of an historic time for the State of Nevada. Thank you for allowing us to work with you throughout this process.

MR. NIELSEN:

On behalf of the Governor, I would like to thank all of you for taking the time and spending many hours to be here, not only today but last week as well; going through the bill, asking questions and properly vetting it. We appreciate that. We believe this is the most broad and fair revenue option available in comparison to several others that have been discussed. The rates are low. We have taken specific industries and recognized that not all industries are the same. The tax is more than one-third less than Question No. 3 was at the ballot, so the yield is significantly less. More importantly, as the Governor has stated, through the budgeting process, although the money goes into the General Fund, it will go toward the new categorical K-12 spending initiative. I want to thank you again on behalf of the Governor. Hopefully you will consider Senate Bill No. 252.

SENATOR ROBERSON:

I will now close the hearing on Senate Bill No. 252 and accept public comments.

LINDA SANDERS:

I would like to, once again, let you know how I feel about Senate Bill No. 252. Its creators tell us it is going to the General Fund, and it is supposed to go for education. That is not for sure, and even if it was, there is no data available that shows throwing millions of dollars at education has changed anything in a positive way. In fact, the record indicates it has accomplished little. As the leader of the Hispanic Chamber of Commerce succinctly stated last week, they are still

dropping out like flies. Last year, Nevada voters overwhelmingly rejected a similar tax by nearly 80 percent. This latest experiment, on the backs of businesses, is a punch in the gut to small business owners. If we prudently ran our businesses—and for myself, that is 36 years—and are trying to survive this economic recession and still have two nickels to rub together, you are trying to take those.

I am against this tax. I urge you to please show consideration for hard-working small businesses and vote "no" on increasing our expenses for no good reason. Thank you.

ALISA BISTREK:

Thank you for allowing me to testify. This Business License Fee is in reality a tax on business that discriminates against small Nevada businesses in a subtle but damaging way. Fiscal alternatives exist that will encourage small business investment while avoiding this tax increase. A responsible measure to improve scholastic performance, reduce academic expenditures and avoid this unnecessary business license fee, or tax, may be to examine and restructure current funding methods for education. This alternative and its advantages are described briefly below:

First, as Nevada is ranked among the lowest nation-wide for academic standards, a nonpartisan, private sector task force must be assigned with two primary objectives in order to properly troubleshoot and evaluate how to improve all of our schools effectively. These two objectives would be: 1) how is the money in our education system spent now, and what are the weak areas including wasteful spending; 2) what are other states doing that make their systems successful?

Second, regulating industry with deterrents like business license fees, while a short-term revenue source for legislators, it will only punish small businesses—a primary foundation the U.S. is built on—and bottle-neck, or "chose," the corporations who will be employing future generations, thus, controlling the work force of a nation, as well as opportunity. I would like to, personally, add that we are at a point where Nevadans cannot afford to have any more weight put upon them with regards to livelihood and industry.

Third, there are numerous inherent problems with Common Core amidst Smarter Balanced Assessment Consortium testing, its primary purpose of data-mining, as well as its already failing standards among other challenges. An intelligent evaluation must be made before further fueling inadequate policies and standards.

The Heritage Foundation, 2015 Index of Economic Freedom, measures economic freedom on specific factors grouped into four broad categories. The four categories are: rule of law, limited government, regulatory efficiency and open markets. Another article, *America's Dwindling Economic Freedom* discusses that regulation, taxes and debt have knocked the U.S. out of the world's top ten. There are a lot of companies that have moved out of the United States due to regulations. A similar thing can happen here in Nevada, and I believe has been happening. *The Journal of Regional Analysis and Policy* an Economic Freedom Index for U.S. Metropolitan Areas, discusses economic freedom in metropolitan areas. "The metro area economic freedom index is found to be correlated with positive economic outcomes, as is the case with the national and state freedom indices. ...Per capita personal income is highest in the most free quintile...."

There is an article from the Heartland Institute, a nonpartisan think tank that discusses Nevada's margins tax: "Nevada's tax system, which has neither individual nor corporate income taxes, has brought the state significant increases in population, employment, and economic growth. A new proposal to impose the largest tax increase in Nevada history would put the state's future economic growth at risk." There are some alternatives related to taxpayer savings grants, school vouchers and Common Core. The Brown Center on Education at Brookings said: "Students learn principally through interactions with people, teachers and peers, and instructional materials, textbooks and workbooks. But education policymakers focus primarily on factors removed from those interactions, such as academic standards, teacher evaluation systems and school accountability policies. There is strong evidence that the choice of instruction materials has large effects on student learning—effects that rival in size those that are associated with different teacher effectiveness."

Another article infers Common Core helps fund the Muslim Brotherhood: "Pearson Education is a company that designs 'education products and services to institutions, governments and direct to individual learners'. They have 40,000 employees in 80 countries." The article further

explains: "...the Gates Foundation also used the United Nations as one vehicle for funding the development and implementation of Common Core in the United States." This is the 'legacy' of loosely termed 'leadership' Governor Sandoval spoke of—a 'all for some and none for all' type elitism similar to the oppression and tyranny Colonists broke away from with our Revolutionary War."

I am asking you to oppose this bill. I think there are better, more viable options that will be friendly to our small businesses, our large businesses, our children and our education system. There are a lot of concerns from data-mining to the Common Core Standards to some of the subject material being taught to regulation being weighed on our businesses. Your constituents are dealing with these every day and need some help. We are willing to help provide you with whatever we are able to do. We thank you for your diligence, time and hard work and efforts on our behalf.

BONNIE MCDANIEL:

I have been a resident of Las Vegas for 55 years. I own two small businesses here. Mr. Aguero said there is nothing in this bill that says these funds go to Education. Most of you are lawyers, or whatever, but you are making the laws. This is a contract. If it does not say it in the bill, in writing, it is not so. It will not happen. There is no guarantee. Either it goes directly to education or this is false advertising by the big Department of Taxation. Just because they say there is a link between the two does not make it so. If the Department of Taxation will not change it in the bill, that it goes to educational funding, then this Committee must. You must vote "no" against this bill entirely, as both the Committee, the people of Nevada and the small business owners have been misled and basically lied to. If there is not truth in our Department's dealings, then, it is time to stop that now. They can go back and do it over—get it right and tell the truth. If the funds go into the General Fund, they can use it anywhere. The funds will go to pay for all the 24 extra people they need to do all the audits. None will go to education. Vote "no" and show you all have integrity in your position and show it to your constituents. It is a farce, and nothing good will come from this bill. Do it right. Vote "no." Be there for the people of Nevada. You owe nothing to Governor Sandoval, and you owe nothing to the Department of Taxation. You owe your loyalties to your constituents that voted you in.

SENATOR ROBERSON:

I would like to point out one thing regarding who determines where the money goes. It is not the Department of Taxation. It is the folks you are talking to here, tonight. We will all work to make sure if this bill passes into law, the funds go to pay for education.

MS. MCDANIEL:

Thank you, that is where it needs to go.

On the motion of Senator Kieckhefer, seconded by Senator Denis, the Committee did rise, return and report back to the Senate.

#### SENATE IN SESSION

At 7:11 p.m.

President pro Tempore Hardy presiding.

Quorum present.

#### REPORTS OF COMMITTEES

*Mr. President pro Tempore:*

Your Committee of the Whole has considered Senate Bill No. 252.

MICHAEL ROBERSON, *Chair*



## MOTIONS, RESOLUTIONS AND NOTICES

Senator Roberson moved that Senate Bill No. 252 be taken from the Secretary's desk and re-referred to the Committee on Revenue and Economic Development.

Motion carried.

## INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Transportation:

Senate Bill No. 456—AN ACT relating to roads; revising provisions authorizing the Attorney General to bring an action to vindicate the rights of certain persons or governmental entities with respect to certain roads which cross certain federal lands; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Transportation:

Senate Bill No. 457—AN ACT relating to trains; revising provisions relating to the Super Speed Ground Transportation System to provide for the Nevada High-Speed Rail System; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Health and Human Services:

Senate Bill No. 458—AN ACT relating to mammography; revising the language of certain notices provided to patients who undergo mammography; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Health and Human Services:

Senate Bill No. 459—AN ACT relating to controlled substances; enacting the Good Samaritan Drug Overdose Act; authorizing certain health care professionals to prescribe and dispense an opioid antagonist to certain persons under certain circumstances; providing immunity from civil and criminal liability and professional discipline for such prescribing and dispensing of an opioid antagonist; providing criminal and other immunity for persons who seek medical assistance for a person who is experiencing a drug or alcohol overdose under certain circumstances; requiring each person registered by the State Board of Pharmacy to receive annual training concerning the misuse and abuse of controlled substances; authorizing the suspension or revocation of a registration for failure to complete such training; requiring that certain information concerning a prescription for a

controlled substance be uploaded to the database of a certain computerized program; revising requirements for certain persons to access a certain computerized program before initiating a prescription for a controlled substance; providing a penalty; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Education:

Senate Bill No. 460—AN ACT relating to education; providing an alternative performance framework to evaluate certain schools which serve certain populations; providing the manner in which a school may apply to be rated using the alternative performance framework; revising provisions relating to the revocation or termination of written charters or charter contracts; prohibiting the Department of Education from considering a school's annual rating pursuant to the statewide system of accountability based upon the performance of a school for the 2014-2015 school year when imposing consequences on public schools; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Education:

Senate Bill No. 461—AN ACT relating to education; providing for the establishment of an individual graduation plan for certain pupils to allow them to remain in high school for an additional period to work towards graduation; requiring the Superintendent of Public Instruction to determine certain requirements for eligibility for such a plan; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Education:

Senate Bill No. 462—AN ACT relating to education; requiring money which is apportioned or otherwise available to each school district to be distributed in a certain manner; authorizing a certain percentage of the money apportioned to a public school that is not expended by the end of a fiscal year to be carried over into the next fiscal year; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Education:

Senate Bill No. 463—AN ACT relating to education; requiring certain providers of electronic applications used for educational purposes to provide written disclosures concerning personally identifiable information that is collected; requiring such a provider to allow certain persons to review and correct personally identifiable information about a pupil maintained by the provider; limiting the circumstances under which such a provider may collect, use, allow access to or transfer personally identifiable information concerning a pupil; requiring such a provider to establish and carry out a detailed plan for the security of data concerning pupils; requiring teachers and other licensed personnel employed by a school district or charter school to complete certain professional development; requiring certain disciplinary action against a teacher or administrator for breaches in security or confidentiality of certain examinations; providing a civil penalty for certain violations; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 464—AN ACT relating to crimes; exempting a person under 21 years of age from criminal liability for the consumption or possession of alcohol when the person requests emergency medical assistance for himself, herself or another person in certain circumstances; exempting a person for whom such assistance is requested from such criminal liability; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Transportation:

Senate Bill No. 465—AN ACT relating to motor carriers; revising provisions relating to audits and examinations of certain motor carriers conducted by the Department of Motor Vehicles; revising provisions relating to violations by a motor carrier of certain international agreements; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Transportation:

Senate Bill No. 466—AN ACT relating to transportation; creating the Innovation in Surface Transportation Selection Panel; prescribing the membership and duties of the Panel; and providing other matters properly relating thereto.

Senator Hammond moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Finance:

Senate Bill No. 467—AN ACT making appropriations from the State Highway Fund to the Nevada Highway Patrol Division of the Department of Public Safety to replace fleet vehicles and motorcycles that have exceeded the mileage threshold; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 468—AN ACT making a supplemental appropriation to the Department of Business and Industry for a shortfall in projected personnel costs of the Nevada Transportation Authority; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 469—AN ACT making a supplemental appropriation to the Supreme Court of Nevada for an unanticipated shortfall in revenue for Fiscal Year 2014-2015 resulting from a deficit in the collection of administrative assessments; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 470—AN ACT making supplemental appropriations to the Department of Motor Vehicles for certain projected costs for print on demand services, personnel costs, and costs for electronic payments and printing; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 471—AN ACT relating to benefits for public employees; requiring the payment of a subsidy from the State Retirees' Health and Welfare Benefits Fund on behalf of a retired person whose coverage is provided through the federal TRICARE program; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Finance:

Senate Bill No. 472—AN ACT relating to public employees; revising provisions governing the eligibility of newly hired public officers and employees for participation in the Public Employees' Benefits Program; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Finance:

Senate Bill No. 473—AN ACT relating to financial administration; revising provisions relating to the Office of Grant Procurement, Coordination and Management of the Department of Administration; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Finance:

Senate Bill No. 474—AN ACT relating to education; creating the Great Teaching and Learning Fund; prescribing the administration and use of money in the Fund; authorizing certain entities to submit an application to the Superintendent of Public Instruction for a grant of money from the Fund; revising provisions governing the provision of training by the regional training programs for the professional development of teachers and administrators; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 475—AN ACT relating to local financial administration; authorizing a county or city to file a petition in bankruptcy under certain circumstances; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 476—AN ACT relating to local districts; making legislative declarations; requiring the imposition of a fee on parcels in a conservation district upon voter approval; authorizing the increase, decrease or elimination of the fee upon voter approval; requiring that money collected

from the fee be expended only for the purposes of the conservation district; authorizing the supervisors of a conservation district to serve ex officio as directors of a weed control district upon agreement with a board of county commissioners; providing a penalty; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 477—AN ACT relating to buildings; authorizing the governing body of a county or incorporated city in this State to adopt a building code or take any other action that requires the installation of an automatic fire sprinkler system in certain larger single-family residences; providing limitations on the authority of the governing body of a county or incorporated city in this State to adopt a building code or take any other action that requires the installation of an automatic fire sprinkler system in certain other single-family residences; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 478—AN ACT relating to regional transportation commissions; limiting the liability of a private operator who contracts with such a commission to operate a public transit system; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

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

Motion carried.

Senate in recess at 7:22 p.m.

#### SENATE IN SESSION

At 7:23 p.m.

President pro Tempore Hardy presiding.

Quorum present.

By the Committee on Government Affairs:

Senate Bill No. 479—AN ACT relating to the redevelopment of communities; revising certain provisions relating to the termination of certain redevelopment plans; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 480—AN ACT relating to county government; revising the membership of the county fair and recreation board of certain counties; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 481—AN ACT relating to local governments; prohibiting a county or incorporated city from requiring a public utility to provide to the county or city information relating to the location of the facilities or critical infrastructure of the public utility unless the county or city demonstrates to the utility a compelling need for the information and that the county or city will maintain the information securely and confidentially; prohibiting a county or city from requiring certain information to be submitted in a digital format or from digitizing such information for certain purposes; providing that such information is not a public record and that the information is subject to disclosure by a county or city only under certain circumstances; providing for the indemnification of the public utility by a county or city for any damages, loss or other harm as the result of the improper disclosure of such information by the county or city; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 482—AN ACT relating to public officers; increasing the compensation of elected county officers; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Revenue and Economic Development:

Senate Bill No. 483—AN ACT relating to governmental financial administration; revising provisions governing the rate of the payroll tax imposed on certain businesses engaged in mining in this State; revising provisions governing the rate and distribution of the excise tax on cigarettes; extending the prospective expiration of certain requirements regarding the advance payment and computation of the tax on the net proceeds from certain

mining operations conducted in this State; removing the prospective expiration of certain requirements regarding the imposition of the local school support tax; temporarily extending the allocation of a portion of the proceeds of the basic governmental services tax to the State General Fund; and providing other matters properly relating thereto.

Senator Roberson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

By the Committee on Judiciary:

Senate Bill No. 484—AN ACT relating to personal financial administration; revising provisions relating to the distribution and administration of the estate of a deceased person; revising provisions governing certain nonprobate transfers; revising provisions relating to the creation and administration of trusts; providing for the creation and administration of public benefit trusts; revising provisions relating to directed trusts; revising provisions relating to the jurisdiction of a court in cases concerning the administration of the estate of a deceased person and the administration of trusts; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Government Affairs:

Senate Bill No. 485—AN ACT relating to water; revising provisions relating to the adjudication of vested water rights; and providing other matters properly relating thereto.

Senator Goicoechea moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

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

Motion carried.

Senate in recess at 7:26 p.m.

#### SENATE IN SESSION

At 10:20 p.m.

President pro Tempore Hardy presiding.

Quorum present.

#### MOTIONS, RESOLUTIONS AND NOTICES

By the Committee on Legislative Operations and Elections:

Senate Joint Resolution No. 20—Urging the President and Congress of the United States to support the participation of the Republic of China on Taiwan in the Trans-Pacific Partnership.



Senator Settlemeyer moved that the resolution be referred to the Committee on Legislative Operations and Elections.

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Joint Resolution No. 21—Urging Congress to enact comprehensive immigration reform.

Senator Settlemeyer moved that the resolution be referred to the Committee on Legislative Operations and Elections.

Motion carried.

#### INTRODUCTION, FIRST READING AND REFERENCE

By the Committee on Finance:

Senate Bill No. 486—AN ACT making supplemental appropriations to the State Department of Conservation and Natural Resources for unanticipated employee retirement buyouts and terminal leave payments; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 487—AN ACT relating to criminal procedure; requiring counties to pay for the expense of the commitment of certain persons to the Division of Public and Behavioral Health of the Department of Health and Human Services; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 488—AN ACT relating to animals; requiring the registration of certain animal remedies, veterinary biologics and pharmaceuticals for veterinary purposes with the State Department of Agriculture; providing penalties; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 489—AN ACT relating to health; requiring the licensure of peer support recovery organizations by the Division of Public and Behavioral Health of the Department of Health and Human Services and to pay an application fee for the license; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Finance:

Senate Bill No. 490—AN ACT relating to state financial administration; revising provisions governing transfers to and from the Account to Stabilize the Operation of the State Government; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Finance:

Senate Bill No. 491—AN ACT making an appropriation for Fiscal Year 2015-2016 and Fiscal Year 2016-2017 for distribution to a nonprofit organization; requiring the nonprofit organization that receives such money to match the money awarded and use the money awarded to promote the establishment of high quality charter schools to serve families with the greatest needs; requiring the nonprofit organization that receives such money to prepare an annual report; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 492—AN ACT relating to off-highway vehicles; providing a fee for the issuance of special plates to certain off-highway vehicle dealers, lessors and manufacturers by the Department of Motor Vehicles; revising provisions relating to fees collected by the Department for the titling and registration of off-highway vehicles; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Education:

Senate Bill No. 493—AN ACT relating to economic development; creating the STEM Workforce Challenge Grant Fund; creating the Committee to Oversee the STEM Workforce Challenge Grant Fund; providing for the Committee to award grants from the Fund to certain consortia of community colleges and state colleges, nonprofit organizations and private businesses; authorizing the Committee to award a grant only if 100 percent of the amount of the grant is matched; making an appropriation; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Education:

Senate Bill No. 494—AN ACT relating to education; creating the College Grant Program; providing for the calculation and award of grants under the Program to qualified students enrolled in community colleges and state colleges of the Nevada System of Higher Education; requiring the Board of Regents of the University of Nevada to submit to the Legislature a biennial report on the Program; making an appropriation; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Finance:

Senate Bill No. 495—AN ACT relating to agriculture; requiring the licensing of commercial animal feed in this State by the State Department of Agriculture; establishing labeling requirements for commercial animal feed sold in this State; establishing labeling requirements for pet food and specialty pet food sold in this State; providing penalties; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Education:

Senate Bill No. 496—AN ACT relating to economic development; creating the Workforce Development Rapid Response Investment Fund; creating the Committee to Oversee the Workforce Development Rapid Response Investment Fund; providing for the Committee to award grants from the Fund to community colleges; making an appropriation; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Finance:

Senate Bill No. 497—AN ACT making appropriations to restore the balances in the State Claims Account, Emergency Account, Reserve for Statutory Contingency Account and Contingency Account; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 498—AN ACT relating to health; requiring the licensure of community health worker pools by the Division of Public and Behavioral Health of the Department of Health and Human Services and to pay an application fee for the license; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Legislative Operations and Elections:

Senate Bill No. 499—AN ACT relating to elections; creating a modified blanket primary election system for partisan offices; authorizing any person who files a declaration or acceptance of candidacy and pays a filing fee to be a candidate for a partisan office at a primary election; providing, with limited exceptions, that the two candidates at a primary election for a partisan office who receive the highest number of votes must be declared nominees and have their names placed on the ballot for the general election; providing, with limited exceptions, that the two nominees on the ballot for the general election must not be affiliated with the same political party unless all of the candidates at the primary election are affiliated with the same political party; providing that the two nominees on the ballot for the general election may not be independent candidates unless all of the candidates at the primary election are independent candidates; eliminating provisions that prohibit a voter from casting a ballot in a primary election for partisan office for a candidate with a political affiliation different than that of the voter; making various conforming changes; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Finance:

Senate Bill No. 500—AN ACT relating to public health; revising the requirements for licensure as a facility for the treatment of abuse of alcohol or drugs; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Finance:

Senate Bill No. 501—AN ACT relating to public health; authorizing the State Dental Health Officer and the State Public Health Dental Hygienist to serve in the unclassified service of the State or as a contractor for the Division of Public and Behavioral Health of the Department of Health and Human Services; requiring the State Dental Health Officer and the State

Public Health Dental Hygienist to work collaboratively; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Health and Human Services.

Motion carried.

By the Committee on Finance:

Senate Bill No. 502—AN ACT relating to the Department of Motor Vehicles; creating an account in the Motor Vehicle Fund for system modernization; authorizing the Department to collect a technology fee; making an appropriation; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Transportation.

Motion carried.

By the Committee on Finance:

Senate Bill No. 503—AN ACT relating to education; providing for the creation and implementation of the Breakfast After the Bell Program; requiring public schools with a certain percentage of pupils from low-income families to participate in the Program; prescribing certain powers and duties of the State Department of Agriculture with respect to implementing and enforcing the Program; establishing the disbursements that may be made to a participating school; prescribing the manner in which money received under the Program may be used by a participating school; requiring the Department to prepare an annual report with respect to the implementation and effectiveness of the Program and to submit the report annually to the Governor and the Legislature; and providing other matters properly relating thereto.

Senator Kieckhefer moved that Senate Standing Rule No. 40 be suspended and that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Finance:

Senate Bill No. 504—AN ACT relating to education; providing for disciplinary and licensure proceedings against administrators, teachers and other employees of a public school for failure to comply with certain provisions of law regarding bullying and cyber-bullying; providing for a cause of action related thereto; creating the Office for a Safe and Respectful Learning Environment within the Department of Education; providing for the appointment of the Director of the Office; providing the duties of the Office; amending provisions relating to reports of and investigations into incidents of bullying; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Finance:

Senate Bill No. 505—AN ACT relating to programs for public personnel; providing for the temporary suspension of the collection of the subsidies to be paid to the Public Employees' Benefits Program for group insurance for certain active public officers and employees; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Government Affairs.

Motion carried.

By the Committee on Finance:

Senate Bill No. 506—AN ACT relating to state financial administration; requiring the transfer of certain money to the State General Fund; revising various provisions relating to the authority for such transfers; and providing other matters properly relating thereto.

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

Motion carried.

By the Committee on Revenue and Economic Development:

Senate Bill No. 507—AN ACT relating to economic development; authorizing the Executive Director of the Office of Economic Development and the Board of Economic Development to approve and issue transferable tax credits to certain businesses intending to locate or expand in this State; revising certain reporting requirements regarding economic development; clarifying certain provisions governing grants or loans of money from the Catalyst Account in the State General Fund to promote economic development; allowing certain counties and cities approved for grants or loans of money from the Catalyst Account to surrender the grants or loans in exchange for the issuance of transferable tax credits under certain circumstances; and providing other matters properly relating thereto.

Senator Roberson moved that the bill be referred to the Committee on Revenue and Economic Development.

Motion carried.

By the Committee on Finance:

Senate Bill No. 508—AN ACT relating to education; revising provisions governing the Nevada Plan; removing the provisions requiring a single annual count of pupils enrolled in public schools and requiring school districts to make quarterly reports of average daily enrollment; prospectively removing the provision of funding through the use of special education program units and including a multiplier to the basic support guarantee for pupils with disabilities; revising provisions governing the inclusion of pupils enrolled in kindergarten; revising provisions governing the hold harmless provisions for school districts and charter schools; creating the Contingency

Account for Special Education; revising provisions governing certain persons with disabilities; and providing other matters properly relating thereto.

Senator Kieckhefer moved that the bill be referred to the Committee on Education.

Motion carried.

By the Committee on Education:

Senate Bill No. 509—AN ACT relating to education; revising provisions relating to the employees and duties of the State Public Charter School Authority; authorizing and requiring certain sponsors of charter schools to make certain agreements with the Authority and other sponsors of charter schools; revising provisions governing applications to form a charter school; revising provisions governing amendments to a written charter or charter contract; authorizing the consolidation of the operations of multiple charter schools under certain circumstances; revising the circumstances under which the sponsor of a charter school is authorized or required to revoke a written charter or terminate a charter contract; authorizing a sponsor to reconstitute the governing body of a charter school in such circumstances; authorizing the sponsor of a charter school whose written charter has been revoked or whose charter contract has been terminated to take certain measures to attempt to replace the charter school; revising certain other provisions governing the operation of a charter school; authorizing a charter school to receive certain money; and providing other matters properly relating thereto.

Senator Harris moved that the bill be referred to the Committee on Education.

Motion carried.

UNFINISHED BUSINESS  
SIGNING OF BILLS AND RESOLUTIONS

There being no objections, the President pro Tempore and Secretary signed Assembly Bill No. 76.

REMARKS FROM THE FLOOR

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

Today is Boy Scout Government Day. The Boy Scouts of America (BSA) is one of the largest youth organizations in the United States with 2.7 million youth members and over 1 million adult volunteers. Since its founding in 1910, as part of the International Scout Movement, more than 110 million Americans have been members of the BSA's goal to train youth in responsible citizenship, character development and self-reliance through participation in a wide range of outdoor activities, educational programs and at older age levels; career oriented programs in partnership with community organizations.

For younger members, the Scout Method is part of the program to inculcate typical scouting values such as trustworthiness, good citizenship and outdoor skills through a variety of activities such as camping, aquatics and hiking. Having earned the rank of Eagle as a youth, I learned the Scout Laws which are that a Scout is trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent. The world would be a better place if our youth can learn by these laws. Please welcome the Boy Scouts to our Chamber today.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Kieckhefer, the privilege of the floor of the Senate Chamber for this day was extended to the Boy Scouts of America Nevada Area Council: Isaiah Abel, Frank Bond, Eddie Cebreros, Dallin Denis, Dustin Denis, Diane Euler, Jesse Euler, Jim Euler, Haut Euler, Roberto Hernandez, Thomas Hernandez, Woody Phelps, Ikaika Pulotu, Alfredo Saliva, Ian Zemp, Frank Bond, James Downs, Jesse Euler, Ethan Ewait, Joe Fronk, Michel Galgiani, Dylan Hassman, Jacob Hughes, Pravan Landry, Sam Langer, Harrison Morris, Zachery Newman, Jordan Price, Connor Taylor, Jennifer Walker, Victor Valdez and Skyler Walker and Ian Zemp.

On request of Senator Woodhouse, the privilege of the floor of the Senate Chamber for this day was extended to Andrew Davey.

Senator Roberson moved that the Senate adjourn until Tuesday, March 24, 2015, at 11:30 a.m.

Motion carried.

Senate adjourned at 10:32 p.m.

Approved:

JOSEPH P. HARDY  
*President pro Tempore of the Senate*

Attest: CLAIRE J. CLIFT  
*Secretary of the Senate*