

THE SEVENTY-FIRST DAY

CARSON CITY (Monday), April 13, 2015

Senate called to order at 5:22 p.m.

President Hutchison presiding.

Roll called.

All present.

Prayer by Senator Moises Denis.

Our Heavenly Father, we are grateful this evening for the opportunity to gather here in the Senate Chamber to be able to do the work that needs to be done here in Nevada. We are thankful for the opportunity to serve. We are thankful for our families and the support they give us. We are thankful for You blessing us with health and strength and blessing those that need help with health and strength.

We thank Thee for our staff and for all the wonderful work they do that helps us to get through the deadlines each and every day. Bless us that we might have Thy Spirit with us this day. Bless us that we might have Thy Spirit give us clear minds, that we might think clearly and be able to work together to come to solutions that will help us and help our State to grow. Help us Father that we might always remember Thee in all that we do.

We pray these things in the Name of Jesus Christ.

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.

REPORTS OF COMMITTEES

Mr. President:

Your Committee on Commerce, Labor and Energy, to which were referred Senate Bills Nos. 251, 349, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JAMES A. SETTELMAYER, *Chair*

Mr. President:

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

Also, your Committee on Education, to which was referred Senate Bill No. 338, has had the same under consideration, and begs leave to report the same back with the recommendation: Re-refer to the Committee on Finance.

BECKY HARRIS, *Chair*

Mr. President:

Your Committee on Government Affairs, to which were referred Senate Bills Nos. 268, 310, 325, 472, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

PETE GOICOECHEA, *Chair*

Mr. President:

Your Committee on Judiciary, to which were referred Senate Bills Nos. 9, 54, 56, 154, 160, 304, 348, 409, 453, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

GREG BROWER, *Chair*

Mr. President:

Your Committee on Natural Resources, to which was referred Senate Bill No. 417, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended

DONALD G. GUSTAVSON, *Chair*

Mr. President:

Your Committee on Revenue and Economic Development, to which were referred Senate Bills Nos. 323, 381, 412, 507, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

Also, your Committee on Revenue and Economic Development, to which was referred Senate Bill No. 155, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

MICHAEL ROBERSON, *Chair*

MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 10, 2015

To the Honorable the Senate:

I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills Nos. 8, 14, 19, 23, 53, 83, 103, 116, 117.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolution No. 7.

CAROL AIELLO SALA

Assistant Chief Clerk of the Assembly

MOTIONS, RESOLUTIONS AND NOTICES

Senator Harris moved that Senate Bill No. 338, just reported out of Committee, be re-referred to the Committee on Finance.

Motion carried.

Senator Harris moved that Senate Bill No. 177 be taken from the Secretary's desk and placed at the bottom of the General File.

Motion carried.

Senator Hardy moved that Senate Bill No. 359 be taken from the General File and placed on the Secretary's desk.

Motion carried.

Senator Gustavson moved that Assembly Bill No. 78 be taken from the General File and placed on the Secretary's desk.

Motion carried.

Senator Roberson moved that, through April 22, the day after the first House passage deadline, the Secretary of the Senate dispense with reading the titles of all Assembly bills and resolutions for introduction and referral.

Motion carried.

INTRODUCTION, FIRST READING AND REFERENCE

Assembly Bill No. 8.

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

Motion carried.

Assembly Bill No. 14.

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

Motion carried.

Assembly Bill No. 19.

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

Motion carried.

Assembly Bill No. 23.

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

Motion carried.

Assembly Bill No. 53.

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

Motion carried.

Assembly Bill No. 83.

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

Motion carried.

Assembly Bill No. 103.

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

Motion carried.

Assembly Bill No. 116.

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

Motion carried.

Assembly Bill No. 117.

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

Motion carried.

SECOND READING AND AMENDMENT

Senate Bill No. 47.

Bill read second time.

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

Amendment No. 106.

SUMMARY—Makes various changes relating to the Consolidated Local Improvements Law. (BDR 22-421)

AN ACT relating to local improvements; authorizing the creation of an improvement district to acquire, operate and maintain a waterfront project; removing the provision that a commercial area vitalization project is limited to an area zoned primarily for business or commercial purposes and deleting the statutory references to such a project; authorizing the governing body of a municipality to acquire, improve, operate and maintain a neighborhood improvement project for the beautification and improvement of an area without regard to its zoning; ~~authorizing the provision of additional public services in such an area;~~ expanding the applicability of provisions authorizing a special assessment within an improvement district located in a redevelopment area; authorizing the use of money in a surplus and deficiency fund for the payment of certain ~~administrative~~ additional costs; increasing the amount of money subject to transfer to such a fund after the outstanding indebtedness of an improvement district has been paid; revising provisions for the collection of unpaid assessments and the modification of an improvement project; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the governing body of any county, city or unincorporated town to create an improvement district for the acquisition, operation and maintenance of certain projects, including a park project, street project or commercial area vitalization project, and to finance the cost of any project through the issuance of bonds and the levy of assessments upon property in the improvement district. (NRS 271.265, 271.270, 271.325) Sections 1 and 5 of this bill authorize the creation of an improvement district for the acquisition, operation and maintenance of a waterfront project.

Under existing law, a commercial area vitalization project entails the beautification and improvement of an area zoned primarily for business or commercial purposes. (NRS 271.063) Section 3 of this bill revises the definition of "commercial area vitalization project" to eliminate this zoning restriction, so that a "neighborhood improvement project" may be established in any area of the improvement district. ~~Section 3 further provides that a neighborhood improvement project may include the provision of additional public services for such purposes as public safety, refuse collection and the cleaning or maintenance of streets and sidewalks.~~ Sections 4-14, 16 and 17 of this bill make conforming changes by eliminating the existing statutory references to a commercial area vitalization project and replacing them with references to a neighborhood improvement project.

If an improvement district is proposed for a commercial area vitalization project or an existing district is proposed to be modified to expand the area subject to assessment, existing law permits the owners and occupants of residential property to protest the assessment of their property for the project. (NRS 271.297, 271.305, 271.392) In view of the elimination of the zoning restriction described above, sections 10, 11 and 17 eliminate the right of an owner or occupant of residential property to file a protest based solely on the residential nature of the property.

For an improvement district located in a redevelopment area, existing law authorizes the governing body to levy one or more special assessments for the extraordinary maintenance, repair and improvement of the project for which the district has been created. However, the applicability of this provision is limited to an improvement district located in any county whose population is 100,000 or more but less than 700,000 (currently Washoe County). (NRS 271.3695) Section 15 of this bill removes the population cap to make this provision also applicable in any county whose population is 700,000 or more (currently Clark County).

When the outstanding indebtedness of an improvement district has been paid, existing law provides for the use and distribution of any surplus money remaining in the fund established for the district's debt service. After the reimbursement of certain payments and a retention for the administrative costs of returning the surplus, a portion of any remaining money must be deposited in a surplus and deficiency fund, with any balance refunded to the owners of the assessed property. (NRS 271.428, 271.429) Sections 18 and 19 of this bill, respectively, expand the authorized uses of money in the surplus and deficiency fund and increase the amount of money to be set aside for that fund before any surplus is refunded.

Although a lien arises for unpaid assessments made for the benefit of any improvement district, existing law establishes different procedures for the collection of assessments owed to a county, city or town, according to the nature of the municipality. When adopting an ordinance authorizing the levy of assessments, the governing body of the municipality must authorize the treasurer to reduce or waive for good cause the collection of certain penalties and interest. Assessments owed to a county are collected by the county treasurer in the same manner as general property taxes owed to the county, while assessments owed to a city or town are collected by the municipal treasurer in accordance with a separate statutory process. (NRS 271.445, 271.585, 361.450) ~~Sections 20 and 21~~ of this bill ~~provide for the collection of assessments owed to a city or town in the same manner as those owed to a county, in addition to the use of the existing collection process. Whenever delinquent property taxes are collected by the county treasurer, sections 25-29 of this bill require that any~~ requires the governing body of a municipality to make certain findings in order to reduce or waive the collection of any unpaid interest on the assessment. Sections 27-29.5 of this bill set forth a process whereby a municipality may collect unpaid assessments and all related interest, penalties and costs ~~to be collected as well,~~ if the property which is the subject of the unpaid assessments, interest, penalties and costs is sold by the county treasurer.

Sections 22 and 23 of this bill change the procedure for modifying a project by revising, among other things, the requirements for public notice of the proposed modification.

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

Section 1. Chapter 271 of NRS is hereby amended by adding thereto a new section to read as follows:

~~["Supplemental services" includes, without limitation, services for public safety, security, refuse collection or sanitation, the cleaning or maintenance of streets, sidewalks or other public portions of an area, the development of business or any combination of such services, at a level of service higher than that ordinarily provided by a municipality.]~~

1. "Waterfront project" means any improvement to:

(a) Public property that is located along the shore of a public body of water; or

(b) Areas within or under a public body of water.

2. The term includes, without limitation, restrooms, fishing sites, boardwalks, decks, boat ramps, utilities, facilities for controlling drainage, parking facilities, lighting, dredging for boat ways, erosion protection, environmental mitigation, landscaping, sidewalks, benches, bulkheads, retaining walls, pumping and excavation, and all appurtenances and incidentals thereto.

Sec. 2. NRS 271.030 is hereby amended to read as follows:

271.030 As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.250, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.

Sec. 3. NRS 271.063 is hereby amended to read as follows:

271.063 ~~["Commercial area vitalization"]~~ "Neighborhood improvement project" includes:

1. The beautification and improvement of the public portions of any area, ~~[zoned primarily for business or commercial purposes,]~~ including, without limitation:

(a) Public restrooms;

(b) Facilities for outdoor lighting and heating;

(c) Decorations;

(d) Fountains;

(e) Landscaping;

(f) Facilities or equipment, or both, to enhance protection of persons and property within the improvement district;

(g) Ramps, sidewalks and plazas; and

(h) Rehabilitation or removal of existing structures; and

2. The improvement of an area ~~[zoned primarily for business or commercial purposes]~~ by providing promotional activities ~~[for supplemental services.]~~

Sec. 4. NRS 271.125 is hereby amended to read as follows:

271.125 "Improvement" or "improve" means the extension, widening, lengthening, betterment, alteration, reconstruction, repair or other improvement (or any combination thereof) of facilities, other property, any

project, or an interest therein, herein authorized, including, without limitation, conducting promotional activities ~~for providing supplemental services,~~ within an improvement district created for a ~~[commercial area vitalization]~~ *neighborhood improvement* project.

Sec. 5. NRS 271.265 is hereby amended to read as follows:

271.265 1. The governing body of a county, city or town, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- (a) A ~~[commercial area vitalization project];~~
- ~~—(b) A]~~ curb and gutter project;
- ~~[(e)]~~ (b) A drainage project;
- ~~[(d)]~~ (c) An energy efficiency improvement project;
- (d) A *neighborhood improvement project*;
- (e) An off-street parking project;
- (f) An overpass project;
- (g) A park project;
- (h) A public safety project;
- (i) A renewable energy project;
- (j) A sanitary sewer project;
- (k) A security wall;
- (l) A sidewalk project;
- (m) A storm sewer project;
- (n) A street project;
- (o) A street beautification project;
- (p) A transportation project;
- (q) An underpass project;
- (r) A water project;
- (s) A waterfront project; and
- ~~[(e)]~~ (t) Any combination of such projects.

2. In addition to the power specified in subsection 1, the governing body of a city having a commission form of government as defined in NRS 267.010, upon behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- (a) An electrical project;
- (b) A telephone project;
- (c) A combination of an electrical project and a telephone project;
- (d) A combination of an electrical project or a telephone project with any of the projects, or any combination thereof, specified in subsection 1; and
- (e) A combination of an electrical project and a telephone project with any of the projects, or any combination thereof, specified in subsection 1.

3. In addition to the power specified in subsections 1 and 2, the governing body of a municipality, on behalf of the municipality and in its

name, without an election, may finance an underground conversion project with the approval of each service provider that owns the overhead service facilities to be converted.

4. In addition to the power specified in subsections 1, 2 and 3, if the governing body of a municipality in a county whose population is less than 700,000 complies with the provisions of NRS 271.650, the governing body of the municipality, on behalf of the municipality and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, within or without the municipality, or both within and without the municipality:

- (a) An art project; and
- (b) A tourism and entertainment project.

Sec. 6. NRS 271.280 is hereby amended to read as follows:

271.280 1. Whenever the governing body of a municipality determines to form an improvement district to conduct any project, the engineer shall prepare and file with the clerk:

(a) Preliminary plans showing:

- (1) A typical section of the contemplated improvement.
- (2) The type or types of material, approximate thickness and wideness.
- (3) A preliminary estimate of the cost of the project, including incidental costs.

(b) An assessment plat showing:

- (1) The area to be assessed.
- (2) Except as otherwise provided in NRS 271.378, the amount of maximum benefits estimated to be assessed against each tract in the assessment area.

(c) If a resolution of the governing body does not otherwise provide, the information required pursuant to the provisions of subsections 2 to 7, inclusive.

↪ The governing body is not required to employ the services of an appraiser to estimate or to assist the engineer in estimating the benefits to be derived from the project.

2. The preliminary plans may provide for one or more types of construction, and the engineer shall separately estimate the cost of each type of construction. The estimate may be made in a lump sum or by unit prices, as the engineer determines is most desirable for the improvement complete in place.

3. A resolution or document prepared by the engineer pursuant to subsection 1 must describe the project in general terms.

4. The resolution or document must state:

(a) What part or portion of the expense of the project is of special benefit and therefore is to be paid by assessments.

(b) What part, if any, has been or is proposed to be defrayed with money derived from other than the levy of assessments.

(c) The basis by which the cost will be apportioned and assessments levied.

5. If the assessment is not to be made according to front feet, the resolution or document must:

(a) By apt description designate the improvement district, including the tracts to be assessed.

(b) Describe definitely the location of the project.

(c) State that the assessment is to be made upon all the tracts benefited by the project proportionately to the benefits received.

6. If the assessment is to be upon the abutting property upon a frontage basis, it is sufficient for the resolution or document so to state and to define the location of the project to be made.

7. It is not necessary in any case to describe minutely in the resolution or document each particular tract to be assessed, but simply to designate the property, improvement district or the location, so that the various parts to be assessed can be ascertained and determined to be within or without the proposed improvement district.

8. If the preliminary plans include a ~~[commercial area vitalization]~~ *neighborhood improvement* project, then in addition to the other requirements in this section, before the plans are ratified by the governing body, the plans must include a plan for the management of the proposed improvement district which must include, without limitation:

(a) The improvements proposed for each year of the first 5 fiscal years of the proposed improvement district;

(b) An estimate of the total amount to be expended on improvements in the first year of operation;

(c) A list of any other special assessments that are currently being levied within the proposed improvement district;

(d) The name of any proposed association; and

(e) Any other matter that the governing body requires to be set forth in the plan.

9. Upon the filing of the plans, plat and, if the engineer prepares a document pursuant to paragraph (c) of subsection 1, the document prepared by the engineer pursuant to paragraph (c) of subsection 1, they must be examined by the governing body. If the plans, plat and document, if any, are found to be satisfactory, the governing body shall make a provisional order by resolution to the effect that the project will be acquired or improved, or both acquired and improved.

Sec. 7. NRS 271.285 is hereby amended to read as follows:

271.285 1. Except as otherwise provided in subsection 2, whenever the owner or owners of lands to be assessed for not less than 90 percent of the entire cost of any project, including all incidental expenses, constituting at least $66 \frac{2}{3}$ percent in frontage, in area or other property basis used for the computation of assessments as therein provided, as the case may be, by

written petition, initiates the acquisition of any project which the governing body is authorized to initiate, subject to the following limitations:

(a) Except as otherwise provided in subsection 7 of NRS 271.325, the governing body may incorporate such project in any improvement district or districts.

(b) The governing body need not proceed with the acquisition of any such project or any part thereof after holding a hearing thereon, pursuant to NRS 271.310, and all provisions thereof thereunto enabling, if the governing body shall determine that it is not for the public interest that the proposed project, or a part thereof, be then ordered to be made.

(c) Any particular kind of project, or any material therefor, or any part thereof, need not be acquired or located, as provided in the petition, if the governing body shall determine that such is not for the public interest.

(d) The governing body need not take any proceedings or action upon receiving any such petition, if the governing body shall thereupon determine by resolution that the acquisition of the designated project probably is not feasible for a reason or reasons stated in such resolution, and if the resolution requires a cash deposit or a pledge of property in at least an amount or value therein designated and found therein by the governing body probably to be sufficient to defray the expenses and costs incurred by the municipality taken preliminary to and in the attempted acquisition of the project designated in the petition, and if such deposit or pledge is not made with the treasurer within 20 days after one publication in a newspaper of general circulation in the municipality of a notice of the resolution's adoption and of its content in summary form. An additional deposit or pledge may from time to time be similarly so required as a condition precedent to the continuation of action by the municipality. Whenever such deposit or pledge is so made and thereafter the governing body shall determine that such acquisition is not feasible within a reasonable period of time, the governing body may require that all or any portion of the costs theretofore incurred in connection therewith by the municipality after its receipt of the petition shall be defrayed from such deposit or the proceeds of such pledged property in the absence of such defrayment of costs by petitioners or other interested persons within 20 days after the determination by resolution of the amount so to be defrayed and after such published notice thereof.

2. A petition signed by owners of tracts constituting at least one-half of the basis used for computation of assessments is sufficient to initiate procedures for acquiring or improving a ~~commercial area revitalization~~ *neighborhood improvement* project. A petition for acquiring or improving a ~~commercial area revitalization~~ *neighborhood improvement* project must be accompanied by a plan describing proposed improvements and a proposed assessment plat when submitted to the governing body.

Sec. 8. NRS 271.290 is hereby amended to read as follows:

271.290 1. Except as otherwise expressly provided or necessarily implied in this section or in NRS 271.285, upon the filing of such a petition,

the governing body shall proceed in the same manner as is provided for hereby where proceedings are initiated by the governing body.

2. Upon the filing of a petition for the acquisition or improvement of a ~~commercial area revitalization~~ *neighborhood improvement* project, the governing body shall hold a public hearing on the petition. At least 20 days before the public hearing, the governing body shall:

(a) Mail notice of the hearing to each owner of real property within the proposed improvement district and to each tenant who resides or owns a business located within the proposed improvement district; and

(b) Publish notice of the hearing in a newspaper of general circulation in the municipality,

↳ describing the purpose and general location of the proposed improvement district, and the date, time and place of the proposed public hearing.

3. At the public hearing, any owner of real property or tenant who resides or owns a business located within the proposed district for a ~~commercial area revitalization~~ *neighborhood improvement* project may present, orally or in writing, the reasons why he or she believes that:

(a) The petition does not contain a sufficient number of qualified signatures; or

(b) The finding required by subsection 4 cannot reasonably be made with respect to any part of the proposed improvement district.

4. After consideration of any objections made at the hearing, and of any other information reasonably known to it, the governing body must, as a condition precedent to the initiation of the procedure for acquiring or improving a ~~commercial area revitalization~~ *neighborhood improvement* project, find that the public interest will benefit by the provision of the proposed improvements within that part of the municipality. In making this determination, the governing body shall consider the differences it finds between the municipality as a whole and the territory within and adjacent to the proposed improvement district.

Sec. 9. NRS 271.296 is hereby amended to read as follows:

271.296 1. The governing body may, by resolution, dissolve an improvement district that is created for the purposes of a ~~commercial area revitalization~~ *neighborhood improvement* project if property owners whose property is assessed for a combined total of more than 50 percent of the total amount of the assessments of all the property in the improvement district submit a written petition to the governing body that requests the dissolution of the district within the period prescribed in subsection 2.

2. The dissolution of an improvement district pursuant to this section may be requested within 30 days after:

(a) The first anniversary of the date the improvement district was created; and

(b) Each subsequent anniversary thereafter.

3. As soon as practicable after the receipt of the written petition of the property owners submitted pursuant to subsection 1, the governing body shall

pass a resolution of intention to dissolve the improvement district. The governing body shall give notice of a hearing on the dissolution. The notice must be provided and the hearing must be held pursuant to the requirements set forth in NRS 271.377. If the governing body determines that dissolution of the improvement district is appropriate, it shall dissolve the improvement district by resolution, effective not earlier than the 30th day after the hearing.

4. If there is indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the improvement district, the portion of the assessment necessary to pay the indebtedness remains effective and must be continued in the following years until the debt is paid.

Sec. 10. NRS 271.297 is hereby amended to read as follows:

271.297 An association with which a governing body contracts pursuant to NRS 271.332 may, at any time, request that the governing body modify a plan or plat with regard to the ~~{commercial area vitalization}~~ *neighborhood improvement* project. Upon the written request of the association, the governing body may modify the plan or plat by ordinance after holding a hearing on the proposed modification pursuant to NRS 271.377. If the proposed modification of a plat expands the territory for assessment, a person who owns or resides within a tract which is located within the territory proposed to be added to the improvement district ~~{and which is used exclusively for residential purposes}~~ may file a protest pursuant to NRS 271.392 at any time before the governing body modifies the plat by ordinance. A petition is not required for a modification made pursuant to this section.

Sec. 11. NRS 271.305 is hereby amended to read as follows:

271.305 1. In the provisional order the governing body shall set a time, at least 20 days thereafter, and a place at which the owners of the tracts to be assessed, or any other interested persons, may appear before the governing body and be heard as to the propriety and advisability of acquiring or improving, or acquiring and improving, the project or projects provisionally ordered. If a mobile home park is located on one or more of the tracts to be assessed, the notice must be given to the owner of the tract and each tenant of that mobile home park.

2. Notice must be given:

- (a) By publication.
- (b) By mail.
- (c) By posting.

3. Proof of publication must be by affidavit of the publisher.

4. Proof of mailing and proof of posting must be by affidavit of the engineer, clerk, or any deputy mailing the notice and posting the notice, respectively.

5. Proof of publication, proof of mailing and proof of posting must be maintained in the records of the municipality until all the assessments appertaining to the project have been paid in full, including principal, interest, any penalties, and any collection costs.

6. The notice may be prepared by the engineer and ratified by the governing body, and, except as otherwise provided in subsection 7, must state:

- (a) The kind of project proposed.
- (b) The estimated cost of the project, and the portion, if any, to be paid from sources other than assessments.
- (c) The basis for apportioning the assessments, which assessments must be in proportion to the special benefits derived to each of the several tracts comprising the assessable property and on a front foot, area, zone or other equitable basis.
- (d) The number of installments and time in which the assessments will be payable.
- (e) The maximum rate of interest on unpaid installments of assessments.
- (f) The extent of the improvement district to be assessed, by boundaries or other brief description.
- (g) The time and place of the hearing where the governing body will consider all objections to the project.
- (h) That all written objections to the project must be filed with the clerk of the municipality at least 3 days before the time set for the hearing.
- (i) If the project is not a ~~commercial area revitalization~~ *neighborhood improvement* project, that pursuant to NRS 271.306, if a majority of the property owners to be assessed for a project proposed by a governing body object in writing within the time stated in paragraph (h), the project must not be acquired or improved unless:
 - (1) The municipality pays one-half or more of the total cost of the project, other than a park project, with money derived from other than the levy or assessments; or
 - (2) The project constitutes not more than 2,640 feet, including intersections, remaining unimproved in any street, including an alley, between improvements already made to either side of the same street or between improvements already made to intersecting streets.
- (j) That the description of the tracts to be assessed, the maximum amount of benefits estimated to be conferred on each such tract and all proceedings in the premises are on file and can be examined at the office of the clerk.
- (k) Unless there will be no substantial change, that a substantial change in certain existing street elevations or grades will result from the project, without necessarily including any statement in detail of the extent or location of any such change.
- (l) That a person should object to the formation of the district using the procedure outlined in the notice if the person's support for the district is based upon a statement or representation concerning the project that is not contained in the language of the notice.
- (m) That if a person objects to the amount of maximum benefits estimated to be assessed or to the legality of the proposed assessments in any respect:
 - (1) The person is entitled to be represented by counsel at the hearing;

(2) Any evidence the person desires to present on these issues must be presented at the hearing; and

(3) Evidence on these issues that is not presented at the hearing may not thereafter be presented in an action brought pursuant to NRS 271.315.

(n) If the project is a ~~{commercial area vitalization}~~ *neighborhood improvement* project, that:

(1) A person who owns or resides within a tract in the proposed improvement district ~~{and which is used exclusively for residential purposes}~~ may file a protest to inclusion in the assessment plat pursuant to NRS 271.392; and

(2) Pursuant to NRS 271.306, if written remonstrances by the owners of tracts constituting one-third or more of the basis for the computation of assessments for the ~~{commercial area vitalization}~~ *neighborhood improvement* project are presented to the governing body, the governing body shall not proceed with the ~~{commercial area vitalization}~~ *neighborhood improvement* project.

7. The notice need not state either or both of the exceptions stated in subsection 2 of NRS 271.306 unless either or both of the exceptions are determined by the governing body or the engineer to be relevant to the proposed improvement district to which the notice appertains.

8. All proceedings may be modified or rescinded wholly or in part by resolution adopted by the governing body, or by a document prepared by the engineer and ratified by the governing body, at any time before the passage of the ordinance adopted pursuant to NRS 271.325, creating the improvement district, and authorizing the project.

9. No substantial change in the improvement district, details, preliminary plans or specifications or estimates may be made after the first publication, posting or mailing of notice to property owners, whichever occurs first, except:

(a) As otherwise provided in NRS 271.640 to 271.646, inclusive; or

(b) For the deletion of a portion of a project and property from the proposed program and improvement district or any assessment unit.

10. The engineer may make minor changes in time, plans and materials entering into the work at any time before its completion.

11. If the ordinance is for a ~~{commercial area vitalization}~~ *neighborhood improvement* project, notice sent pursuant to this section must be sent by mail to each person who owns real property which is located within the proposed improvement district and to each tenant who resides or owns a business located within the proposed improvement district.

Sec. 12. NRS 271.306 is hereby amended to read as follows:

271.306 1. Regardless of the basis used for apportioning assessments, the amount apportioned to a wedge or V or any other irregularly shaped tract must be in proportion to the special benefits thereby derived.

2. Except as otherwise provided in subsections 3 and 4, if, within the time specified in the notice, complaints, protests and objections in writing,

that is, all written remonstrances, against acquiring or improving the project proposed by initiation of the governing body are filed with the clerk, signed by the owners of tracts constituting a majority of the frontage, of the area, of the zone, or of the other basis for the computation of assessments, as the case may be, of the tracts to be assessed in the improvement district or in the assessment unit if the improvement district is divided into assessment units, the project therein must not be acquired or improved unless:

(a) The municipality pays one-half or more of the total cost of the project, other than a park project, with money derived from other than the levy of assessments; or

(b) The project constitutes not more than 2,640 feet, including intersections, remaining unimproved in any street, including an alley, between improvements already made to either side of the same street or between improvements already made to intersecting streets. In this case the governing body may on its own motion cause the intervening and unimproved part of the street to be improved. Such improvements will not be stayed or defeated or prevented by written complaints, protests and objections thereto, unless the governing body in its sole discretion, deems such written complaints, protests and objections proper to cause the improvement to be stayed or prevented.

3. Written remonstrances by the owners of tracts constituting 50 percent of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a street beautification project.

4. Written remonstrances by the owners of tracts constituting at least one-third of the basis for the computation of assessments suffice to preclude the acquisition or improvement of a ~~{commercial area vitalization}~~ *neighborhood improvement* project. For the purposes of this subsection, the property of a single owner may not be counted as constituting more than 10 percent of the basis.

Sec. 13. NRS 271.325 is hereby amended to read as follows:

271.325 1. When an accurate estimate of cost, full and detailed plans and specifications and map are prepared, are presented and are satisfactory to the governing body, it shall, by resolution, make a determination that:

(a) Public convenience and necessity require the creation of the district; and

(b) The creation of the district is economically sound and feasible.

↪ This determination may be made part of the ordinance creating the district adopted pursuant to subsection 2 and is conclusive in the absence of fraud or gross abuse of discretion.

2. The governing body may, by ordinance, create the district and order the proposed project to be acquired or improved. This ordinance may be adopted and amended as if an emergency existed.

3. The ordinance must prescribe:

(a) The extent of the improvement district to be assessed, by boundaries or other brief description, and similarly of each assessment unit therein, if any.

(b) The kind and location of each project proposed, without mentioning minor details.

(c) The amount or proportion of the total cost to be defrayed by assessments, the method of levying assessments, the number of installments and the times in which the costs assessed will be payable.

(d) The character and extent of any construction units.

4. The engineer may further revise the cost, plans and specifications and map from time to time for all or any part of any project, and the ordinance may be appropriately amended. Except as otherwise provided in NRS 271.640 to 271.646, inclusive, such amendment must take place before letting any construction contract therefor and before any work being done other than by independent contract let by the municipality.

5. The ordinance, if amended, must order the work to be done as provided in this chapter.

6. Upon adoption or amendment of the ordinance, the governing body shall cause to be recorded in the office of the county recorder a certified copy of a list of the tracts to be assessed and the amount of maximum benefits estimated to be assessed against each tract in the assessment area, as shown on the assessment plat as revised and approved by the governing body pursuant to NRS 271.320. Neither the failure to record the list as provided in this subsection nor any defect or omission in the list regarding any parcel or parcels to be included within the district affects the validity of any assessment, the lien for the payment thereof or the priority of that lien.

7. The governing body may not adopt an ordinance creating or modifying the boundaries of an improvement district for a ~~commercial area vitalization~~ *neighborhood improvement* project if the boundaries of the improvement district overlap an existing improvement district created for a ~~commercial area vitalization~~ *neighborhood improvement* project.

Sec. 14. NRS 271.332 is hereby amended to read as follows:

271.332 1. A governing body that forms an improvement district for a ~~commercial area vitalization~~ *neighborhood improvement* project may contract with a nonprofit association to provide the improvements that are specified in the plans for the ~~commercial area vitalization~~ *neighborhood improvement* project. If creation of the ~~commercial~~ improvement district was initiated by petition, the governing body shall contract for that purpose with the association named in the plan for management of the improvement district.

2. An association with which a governing body contracts pursuant to subsection 1 must be a private nonprofit corporation and must be identified in the plan for management of the improvement district. The association shall maintain liability insurance covering its activities.

3. The contract between the governing body and the association is a contract for professional services and is not subject to the limitations of subsection 1 of NRS 354.626. The terms of the contract may extend:

(a) Beyond the terms of office of members of the governing body; and

(b) For the time necessary to cover the life of improvements and to fulfill financial commitments for equipment, services and related undertakings.

4. The association does not become a political subdivision, local government, public body, governmental agency or entity, establishment of the government, public corporation or quasi-public corporation for any purpose solely on the basis of a contract entered into with a governing body pursuant to subsection 1.

5. A contract executed pursuant to this section must ensure that the type and level of services provided by the municipality at the time of the creation of the improvement district continue after the improvement district is formed.

Sec. 15. NRS 271.3695 is hereby amended to read as follows:

271.3695 1. In a county whose population is 100,000 or more , ~~but less than 700,000,~~ on or before June 30 of each year after the levy of an assessment within an improvement district located in a redevelopment area selected pursuant to NRS 279.524 to pay, in whole or in part, the costs and expenses of constructing or substantially reconstructing a project, the governing body may prepare and approve an estimate of the expenditures required during the ensuing year for the extraordinary maintenance, repair and improvement of the project.

2. The governing body may adopt a resolution, after a public hearing, determining to levy and collect in any year upon and against all of the assessable property within the district a special assessment sufficient to raise a sum of money not to exceed the amount estimated pursuant to subsection 1 for the extraordinary maintenance, repair and improvement of the project. Notice of the hearing must be given, and the hearing conducted, in the manner specified in NRS 271.305.

3. The special assessment must be levied, collected and enforced at the same time, in the same manner, by the same officers and with the same interest and penalties as other special assessments levied pursuant to this chapter. The proceeds of the assessment must be placed in a separate fund of the municipality and expended only for the extraordinary maintenance, repair or improvement of the project.

4. As used in this section, "extraordinary maintenance, repair and improvement" includes all expenses ordinarily incurred not more than once every 5 years to keep the project in a fit operating condition. Expenses which are ordinarily incurred more than once every 5 years may be included only if the governing body expressly finds that the expenses must be incurred in order to maintain the level of benefit to the assessed parcels and that the level of benefit would otherwise decline more rapidly than usual because of special circumstances relating to the project for which the assessment is levied, including its use, location or operation and other circumstances. If the governing body makes such a finding, a statement of that finding must be included in the notice given pursuant to subsection 2.

Sec. 16. NRS 271.377 is hereby amended to read as follows:

271.377 1. On or before June 30 of each year after the governing body acquires or improves a ~~commercial area vitalization~~ *neighborhood improvement* project, the governing body shall prepare or cause to be prepared an estimate of the expenditures required in the ensuing fiscal year and a proposed assessment roll assessing an amount not greater than the estimated cost against the benefited property. The assessment must be computed according to frontage or another uniform and quantifiable basis.

2. The governing body shall hold a public hearing upon the estimate of expenditures and the proposed assessment roll. Notice must be given and the hearing conducted in the manner provided in NRS 271.380 and 271.385. The assessment may not exceed the amount stated in the proposed assessment roll unless a new hearing is held after notice is mailed and published in the manner provided in NRS 271.305 and 271.310.

3. After the public hearing, the governing body shall confirm the assessments, as specified in the proposed assessment roll or as modified, and levy the assessment as provided in NRS 271.390.

4. An improvement district created for a ~~commercial area vitalization~~ *neighborhood improvement* project is not entitled to any distribution from the local government tax distribution account.

Sec. 17. NRS 271.392 is hereby amended to read as follows:

271.392 1. Before a proposed assessment plat for a ~~commercial area vitalization~~ *neighborhood improvement* project is adopted by ordinance, a person who owns or resides within a tract which ~~is~~

~~(a) Is~~ *is* located within the proposed improvement district ~~and~~

~~(b) Is used exclusively for residential purposes;~~

~~may~~ may file with the clerk a written protest to the inclusion of the tract in the assessment plat. The protest must be accompanied by a legal description of the tract.

2. Upon receipt of a protest pursuant to subsection 1, the clerk shall provide a copy of the protest and legal description of the property to the governing body.

3. Before adopting a resolution or ordinance pursuant to NRS 271.325 and before adopting an ordinance that modifies an assessment plat for a ~~commercial area vitalization~~ *neighborhood improvement* project to include additional tracts of land, the governing body shall modify the assessment plat ~~for a commercial area vitalization project~~ to exclude any tract for which it received a protest pursuant to this section and which it determines will not benefit from the activities or improvements that are proposed to be provided by the ~~commercial area vitalization~~ *neighborhood improvement* project.

Sec. 18. NRS 271.428 is hereby amended to read as follows:

271.428 1. When all outstanding bonds, principal, interest and prior redemption premiums, if any, of such a district have been paid and any surplus amounts remain in the fund established pursuant to NRS 271.490 to the credit of the district, the surplus after the payment of valid claims for refund, if any, must be transferred to a surplus and deficiency fund. The

governing body may at any time, by resolution or ordinance, authorize the deposit of any money otherwise available to the surplus and deficiency fund.

2. Amounts in the surplus and deficiency fund may be used by the governing body to pay costs incurred in connection with:

- (a) The issuance of refunding bonds pursuant to NRS 271.488; ~~for~~
- (b) Collecting delinquent assessments pursuant to NRS 271.445 and 271.540 to 271.630, inclusive ~~for~~; ~~for~~
- (c) *Refunding, pursuant to NRS 271.429, the surplus amounts in the special fund created for the district pursuant to NRS 271.490 ~~for~~.*
- (d) *Legal fees or other costs that relate to an improvement district; or*
- (e) *Modifying a project pursuant to NRS 271.640 to 271.646, inclusive.*

3. Whenever there is a deficiency in any fund established pursuant to NRS 271.490 for the payment of the bonds and interest thereon for any improvement district created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or 318.070, the deficiency must first be paid out of the surplus and deficiency fund to the extent of the money available in the fund before any payment is made out of the general fund of the municipality as provided by NRS 271.495.

4. Amounts in the surplus and deficiency fund which exceed 10 percent of the principal amount of outstanding bonds of the municipality for all improvement districts created pursuant to former NRS 244A.193 or pursuant to NRS 271.325 or 318.070 at the end of each fiscal year may be used:

- (a) To make up deficiencies in any assessment which proves insufficient to pay for the cost of the project or work for which the assessment has been levied.
- (b) To advance amounts for the cost of any project or work in any district created pursuant to any of these sections.
- (c) To provide for the payment of assessments levied against, or attributable to, property owned by the municipality or the Federal Government.

5. At the end of each fiscal year any excess amount described in subsection 4 may be transferred to the general fund of the municipality as the governing body directs by resolution.

Sec. 19. NRS 271.429 is hereby amended to read as follows:

271.429 1. Except as otherwise provided in subsection 2, when all outstanding bonds, principal, interest and prior redemption premiums, if any, of a district have been paid, surplus amounts remaining in the special fund created for that district pursuant to NRS 271.490 must be refunded as follows:

- (a) If amounts have been advanced from the general fund of the municipality as required by NRS 271.495 for the payment of any bonds or interest thereon of such district, those amounts must first be returned to the general fund of the municipality.
- (b) If a surplus and deficiency fund has been established pursuant to NRS 271.428, and amounts have been advanced from the surplus and

deficiency fund for the payment of bonds or interest thereon of such district, those amounts must be returned to the surplus and deficiency fund.

(c) The treasurer shall thereupon determine the amount remaining in the fund created for the district pursuant to NRS 271.490 and deduct therefrom the amount of administrative costs of returning that surplus and any other administrative costs incurred by the municipality related to the improvement district or the project which have not been otherwise reimbursed. An amount equal to the actual administrative costs must be returned to the fund from which the administrative costs were paid.

(d) If the remaining surplus is ~~[\$25,000]~~ \$50,000 or less, that amount must be deposited to the surplus and deficiency fund.

(e) If the remaining surplus is more than ~~[\$25,000,]~~ \$50,000, the treasurer shall:

(1) Deposit ~~[\$25,000]~~ \$50,000 in the surplus and deficiency fund;

(2) Apportion the amount of the surplus in excess of ~~[\$25,000]~~ \$50,000 among the tracts of land assessed in the district; and

(3) Report this apportionment to the governing body.

(f) Upon the approval of this apportionment by the governing body, the treasurer shall thereupon give notice by mail and by publication of the availability of the surplus for refund.

(g) The notice must also state that the owner or owners of record on the date specified by the notice of each tract of land which was assessed may request the refund of the surplus apportioned to that tract by filing a claim therefor with the treasurer within 60 days after the date of the mailing of the notice. Thereafter claims for such refunds are perpetually barred.

(h) Surplus amounts, if any, remaining after the payment of all valid claims filed with the treasurer within the 60-day period must be transferred to the surplus and deficiency fund.

(i) Valid claims for refund filed in excess of the surplus available for each separate tract may be apportioned ratably among the claimants by the treasurer.

2. Subsection 1 does not apply to change or alter the distribution of any surplus pursuant to a written agreement that was entered into by a district on or before June 18, 1993.

Sec. 20. NRS 271.445 is hereby amended to read as follows:

271.445 1. When any assessment is so levied by ordinance against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, and is payable, the governing body shall direct:

(a) The clerk to report to the county assessor a description of such tracts as are contained in the roll, with the amount of the assessment levied upon each and the name of the owner or occupant against whom the assessment was made.

(b) The municipal treasurer or the county treasurer to collect the several sums so assessed.

2. If the municipal treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, shall be collected and enforced, both before and after delinquency, in the manner provided in NRS 271.540 to 271.625, inclusive, except as otherwise provided in ~~subsection 3 or~~ the ordinance levying the assessments.

3. ~~Except as otherwise provided in the ordinance levying the assessments and as an independent method of enforcing assessments:~~

~~(a) If the municipal treasurer receives a notice of delinquency from the tax receiver of the county pursuant to NRS 361.5648, the municipal treasurer shall, within 10 days after receipt of the notice, submit to the tax receiver an affidavit setting forth the amount of any unpaid assessments that have been levied against the property which is the subject of the notice and are then due and owing, and any accrued interest, penalties and costs of collection.~~

~~(b) The amount due must be collected and enforced by the tax receiver and other county officers with the other taxes in the general assessment roll of the county, as provided by law and in the same manner. Any assessments, interest, penalties and costs collected by those officers must be remitted by them to the municipal treasurer.~~

~~4.~~ If the county treasurer has been directed to collect unpaid assessments, the amount so levied in the assessment roll against property, including, without limitation, property owned by a person or property owned by this State or any political subdivision of this State, shall be collected and enforced, both before and after delinquency, by the county treasurer and other county officers ~~[, as provided by law,]~~ with the other taxes in the general assessment roll of the county, *as provided by law* and in the same manner, except as otherwise provided in the ordinance levying the assessments.

~~5.~~ Such amounts shall continue to be a lien upon the tracts assessed until paid, as provided in NRS 271.420.

~~6.~~ When such amount is collected, it shall be credited to the proper funds.

~~7.~~ The assessment roll and the certified ordinance levying the assessment shall be prima facie evidence of the regularity of the proceedings in making the assessment and of the right to recover judgment therefor.

~~8.~~ The ordinance authorizing the levy of assessments must allow the governing body to authorize the treasurer to reduce or waive for good cause the collection of any penalties assessed pursuant to subsection 4 of NRS 271.415 and any interest incurred pursuant to NRS 271.585. *If the ordinance does not authorize such a reduction or waiver, the governing body may, by resolution, grant ~~such~~ authority ~~by resolution in a particular case~~ to the treasurer to reduce or waive the collection of any interest incurred pursuant to NRS 271.585 relating to property for which the municipal clerk is the custodian of the certificate for the property pursuant to*

NRS 271.575 if the governing body ~~[determines]~~ makes a finding that the reduction or waiver ~~[does]~~ will not ~~[impair materially and adversely any outstanding bonds for]~~ cause the improvement district to have insufficient money to pay any principal and interest for the improvement district that are payable from the assessments.

Sec. 21. ~~[NRS 271.540 is hereby amended to read as follows:~~

~~271.540 When the governing body of a municipality has directed the municipal treasurer to collect and enforce assessments in the manner provided by the Consolidated Local Improvements Law, NRS 271.545 to 271.630, inclusive, shall provide the procedure therefor, except as otherwise provided in the ordinance levying the assessments; but NRS 271.445, 271.625 and 271.630 shall also provide independent methods of enforcing assessments which shall be available to every municipality which has levied assessments and to the holders of any bond payable therefrom.] (Deleted by amendment.)~~

Sec. 22. NRS 271.6415 is hereby amended to read as follows:

271.6415 1. After receipt of the report required pursuant to NRS 271.641, the governing body may, by ordinance and without a protest hearing, modify the project, the assessments on each tract in the improvement project, the assessment installments and the due dates of the assessment installments as provided in the report pursuant to the provisions of this section if:

(a) The governing body determines that the public convenience and necessity require the modification;

(b) *The report prepared and filed by the engineer pursuant to NRS 271.641 states that the modified portion of the project, as modified, is functionally equivalent to that portion of the project before modification;*

(c) *The estimated cost of the modified portion of the project, as modified, is not greater than the original cost of that portion of the project before modification;*

(d) *The owner of each tract in the improvement district which is proposed to have its assessment ~~[modified or which derives benefits from the portion of the project proposed to be eliminated or modified or from the additions proposed to be made to the project]~~ increased has filed written consent to the modification with the clerk ~~[and there are no residential lots within 1,500 feet of the portion of the project impacted;~~*

~~(e) There has been filed with the clerk:~~

~~(1) Evidence that the modification has been consented to by the owners of the bonds for the improvement district which are payable from the assessments in the manner as provided in the ordinance or in the indenture, fiscal agent agreement, resolution or other instrument pursuant to which the bonds are issued; or~~

~~(2) An opinion from independent bond counsel stating that the modification does not materially and adversely affect the interests of the owners of the bonds; and~~

~~(d)~~;

(e) *The aggregate amount of the assessments on the tracts in the improvement district remains the same; and*

(f) The governing body determines that, upon modification of the project and, if applicable, the assessments, the amount assessed against each tract in the improvement district does not exceed the maximum special benefits to be derived by each such tract from the project.

2. A determination that is made pursuant to this section is conclusive in the absence of fraud or gross abuse of discretion.

3. An ordinance adopted pursuant to this section may be adopted as if an emergency existed.

Sec. 23. NRS 271.642 is hereby amended to read as follows:

271.642 1. After receipt of the report required pursuant to NRS 271.641, if the governing body does not proceed pursuant to NRS 271.6415, the governing body may make a provisional order by resolution to the effect that the project will be modified.

2. In a provisional order made pursuant to subsection 1, the governing body shall set a time, at least 20 days thereafter, and a place at which the owner of each tract in the improvement district, or any other interested person, may appear before the governing body and be heard as to the propriety and advisability of modifying the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments. If there are *permanent residential [lots within 1,500 feet of the project] dwelling units in the improvement district* or a mobile home park is located on a tract in the improvement district, the notice must be given to the owner ~~[of the tract and each owner of a residential lot within 1,500 feet]~~ *of each such dwelling unit, the owner of the tract on which the mobile home park is located and each tenant of the mobile home park [-], as applicable.*

3. Notice must be given:

(a) By publication.

(b) By mail.

(c) By posting.

4. Proof of publication must be by affidavit of the publisher.

5. Proof of mailing and proof of posting must be by affidavit of the engineer, clerk, or any deputy mailing the notice and posting the notice, respectively.

6. Proof of publication, proof of mailing and proof of posting must be maintained in the records of the municipality until all the assessments appertaining to the project have been paid in full, including principal, interest, penalties and any collection costs.

7. The notice must be prepared by the engineer, ratified by the governing body and state:

(a) In general terms, the proposed modification of the project.

(b) The estimated cost of the project, as modified, and the amount by which that cost is greater or less than the original cost of the project, as

reflected in the ordinance creating the improvement district and ordering the project to be acquired or improved.

(c) The time and place of the hearing where the governing body will consider all objections to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments.

(d) That all written objections to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments must be filed with the clerk at least 3 days before the time set for the hearing.

(e) That if the owners of tracts in the improvement district which:

(1) Are proposed to have assessments modified or which derive benefits from the portion of the project proposed to be eliminated or changed or from the additions proposed to be made to the project; and

(2) Upon the modification of the project and, if applicable, the assessments, will in the aggregate have assessments greater than 50 percent of the aggregate amount of the assessments on the tracts in the improvement district which are proposed to have assessments modified or which derive benefits from the portion of the project proposed to be eliminated or changed or from the additions proposed to be made to the project,

↪ object in writing, within the time stated in paragraph (d), to such modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the installments will not be made.

(f) That if the assessment on any tract is increased as a result of the modification of the project, the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments will not be made unless the owner of each such tract has consented in writing to the increase.

(g) That the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments will not be made unless there has been filed with the clerk:

(1) Evidence that the modification is consented to:

(I) By the owners of the bonds for the improvement district which are payable from the assessments; and

(II) In the same manner as amendments to the ordinance creating the improvement district and ordering the project to be acquired or improved, as provided in the ordinance or in the indenture, fiscal agent agreement, resolution or other instrument pursuant to which the bonds are issued; or

(2) An opinion from an independent bond counsel stating that the modification does not materially adversely affect the interests of the owners of the bonds.

(h) That all proceedings regarding and records of the following are available for inspection at the office of the clerk:

(1) The amount of maximum special benefits estimated to be derived from the project, as modified, by each tract in the improvement district;

(2) If applicable, the modified assessment on each tract in the improvement district resulting from the modification of the project; and

(3) If applicable, the modified assessment installments and the due dates of the assessment installments.

(i) That a person may object to the modification of the project and, if applicable, the assessments, the assessment installments and the due dates of the assessment installments using the procedure outlined in the notice.

(j) That if a person objects to the amount of maximum special benefits estimated to be derived from the project, as modified, or to the legality of the proposed modification in any respect:

(1) The person is entitled to be represented by counsel at the hearing;

(2) Any evidence the person wants to present must be presented at the hearing; and

(3) Evidence that is not presented at the hearing may not be presented in an action brought pursuant to NRS 271.6435.

8. No substantial change in the proposed modification of the project or, if applicable, the assessments, the assessment installments or the due dates of the assessment installments may be made after the first publication, posting or mailing of notice to property owners, whichever occurs first.

Sec. 24. NRS 271A.020 is hereby amended to read as follows:

271A.020 ~~[Except]~~ *As used in this chapter, except as otherwise provided in NRS 271A.030 to 271A.060, inclusive, and unless the context otherwise requires, the words and terms defined in NRS 271.035 to 271.250, inclusive, and section 1 of this act and 271A.030 to 271A.060, inclusive, have the meanings ascribed to them in those sections.*

Sec. 25. ~~[NRS 361.5648 is hereby amended to read as follows:~~

~~361.5648 1. Within 30 days after the first Monday in March of each year, with respect to each property on which the tax is delinquent, the tax receiver of the county shall mail notice of the delinquency by first class mail to:~~

~~(a) The owner or owners of the property;~~

~~(b) The person or persons listed as the taxpayer or taxpayers on the tax rolls, at their last known addresses, if the names and addresses are known;~~

~~(c) The municipal treasurer if the property is included in a final assessment roll confirmed by the governing body of an unincorporated town or city in the county pursuant to chapter 271 of NRS, unless the tax receiver is the municipal treasurer;~~

~~(d) Each holder of a recorded security interest if the holder has made a request in writing to the tax receiver for the notice, which identifies the secured property by the parcel number assigned to it in accordance with the provisions of NRS 361.189; and~~

~~[(d)] (e) Each assignee of a tax lien on the property, if the assignee has made a request in writing to the tax receiver for the notice described in paragraph [(c)]. [(d)]~~

~~2. The notice of delinquency must state:~~

- ~~—(a) The name of the owner of the property, if known.~~
- ~~—(b) The description of the property on which the taxes are a lien.~~
- ~~—(c) The amount of the taxes due on the property and the penalties and costs as provided by law.~~
- ~~—(d) That if the amount is not paid by or on behalf of the taxpayer or his or her successor in interest, the tax receiver will, at 5 p.m. on the first Monday in June of the current year, issue to the county treasurer, as trustee for the State and county, a certificate authorizing the county treasurer to hold the property, subject to redemption within 2 years after the date of the issuance of the certificate, by payment of the taxes and accruing taxes, any unpaid assessments imposed pursuant to chapter 271 of NRS and the interest thereon, penalties and costs, together with interest on the taxes at the rate of 10 percent per annum, assessed monthly, from the date due until paid as provided by law, except as otherwise provided in NRS 360.232 and 360.320, and that redemption may be made in accordance with the provisions of chapter 21 of NRS in regard to real property sold under execution.~~
- ~~—3. Within 30 days after mailing the original notice of delinquency, the tax receiver shall issue his or her personal affidavit to the board of county commissioners affirming that due notice has been mailed with respect to each parcel. The affidavit must recite the number of letters mailed, the number of letters returned and the number of letters finally determined to be undeliverable. Until the period of redemption has expired, the tax receiver shall maintain detailed records which contain such information as the Department may prescribe in support of the affidavit.~~
- ~~—4. A second copy of the notice of delinquency must be sent by certified mail, not less than 60 days before the expiration of the period of redemption as stated in the notice.~~
- ~~—5. The cost of each mailing must be charged to the delinquent taxpayer.~~
- ~~—6. A county and its officers and employees are not liable for any damages resulting from failure to provide actual notice pursuant to this section if the county, officer or employee, in determining the names and addresses of persons with an interest in the property, relies upon a preliminary title search from a company authorized to provide title insurance in this State. (Deleted by amendment.)~~

Sec. 26. [NRS 361.570 is hereby amended to read as follows:

- ~~—361.570—1. Pursuant to the notice given as provided in NRS 361.5648 and 361.565 and at the time stated in the notice, the tax receiver shall make out a certificate that describes each property on which delinquent taxes, assessments imposed pursuant to chapter 271 of NRS, penalties, interest and costs have not been paid. The certificate authorizes the county treasurer, as trustee for the State and county, to hold each property described in the certificate for the period of 2 years after the first Monday in June of the year the certificate is dated, unless sooner redeemed.~~
- ~~—2. The certificate must specify:~~

~~—(a) The amount of delinquency on each property, including the amount and year of assessment;~~

~~—(b) The taxes [,] *and assessments*, and the penalties, *interest* and costs added thereto, on each property, and that, except as otherwise provided in NRS 360.232 and 360.320, interest on the taxes will be added at the rate of 10 percent per annum, assessed monthly, from the date due until paid; and~~

~~—(c) The name of the owner or taxpayer of each property, if known.~~

~~—3. The certificate must state:~~

~~—(a) That each property described in the certificate may be redeemed within 2 years after the date of the certificate;~~

~~—(b) That the title to each property not redeemed vests in the county for the benefit of the State and county; and~~

~~—(c) That a tax lien may be assigned against the parcel pursuant to the provisions of NRS 361.7303 to 361.733, inclusive.~~

~~—4. Until the expiration of the period of redemption, each property held pursuant to the certificate must be assessed annually to the county treasurer as trustee. Before the owner or his or her successor redeems the property, he or she must also pay the county treasurer holding the certificate any additional taxes, *unpaid assessments imposed pursuant to chapter 271 of NRS and the interest thereon*, penalties and costs assessed and accrued against the property after the date of the certificate, together with interest on the taxes at the rate of 10 percent per annum, assessed monthly, from the date due until paid, unless otherwise provided in NRS 360.232 and 360.320.~~

~~—5. A county treasurer shall take a certificate issued to him or her pursuant to this section. The county treasurer may cause the certificate to be recorded in the office of the county recorder against each property described in the certificate to provide constructive notice of the amount of delinquent taxes *and assessments* on each property respectively. The certificate reflects the amount of delinquent taxes, *assessments*, penalties, interest and costs due on the properties described in the certificate on the date on which the certificate was recorded, and the certificate need not be amended subsequently to indicate additional taxes, *assessments*, penalties, interest and costs assessed and accrued or the repayment of any of those delinquent amounts. The recording of the certificate does not affect the statutory lien for taxes *and assessments* provided in NRS 361.450.] (Deleted by amendment.)~~

Sec. 27. NRS 361.585 is hereby amended to read as follows:

361.585 1. When the time allowed by law for the redemption of a property described in a certificate has expired and no redemption has been made, the tax receiver who issued the certificate, or his or her successor in office, shall execute and deliver to the county treasurer a deed of the property in trust for the use and benefit of the State and county and any officers having fees due them.

2. The county treasurer and his or her successors in office, upon obtaining a deed of any property in trust under the provisions of this chapter,

shall hold that property in trust until it is sold or otherwise disposed of pursuant to the provisions of this chapter.

3. Notwithstanding the provisions of NRS 361.595 or 361.603, at any time during the 90-day period specified in NRS 361.603, or not later than 5 p.m. on the third business day before the day of the sale by a county treasurer, as specified in the notice required by NRS 361.595, of any property held in trust by him or her by virtue of any deed made pursuant to the provisions of this chapter, any person specified in subsection 4 is entitled to have the property reconveyed upon the receipt by the county treasurer of payment by or on behalf of that person of an amount equal to the taxes accrued ~~and any unpaid assessments imposed pursuant to chapter 271 of NRS,~~ together with any costs, penalties and interest legally chargeable against the property. A reconveyance may not be made after expiration of the 90-day period specified in NRS 361.603.

4. Property may be reconveyed pursuant to subsection 3 to one or more of the persons specified in the following categories, or to one or more persons within a particular category, as their interests may appear of record:

- (a) The owner.
- (b) The beneficiary under a note and deed of trust.
- (c) The mortgagee under a mortgage.
- (d) The creditor under a judgment.
- (e) The person to whom the property was assessed.
- (f) The person holding a contract to purchase the property before its conveyance to the county treasurer.
- (g) The Director of the Department of Health and Human Services if the owner has received or is receiving any benefits from Medicaid.
- (h) The successor in interest of any person specified in this subsection.
- (i) A municipality that holds a lien against the property.

5. The provisions of this section apply to land held in trust by a county treasurer on or after April 17, 1971.

Sec. 28. NRS 361.595 is hereby amended to read as follows:

361.595 1. Any property held in trust by any county treasurer by virtue of any deed made pursuant to the provisions of this chapter may be sold and conveyed in the manner prescribed in this section and in NRS 361.603 or conveyed without sale as provided in NRS 361.604.

2. If the property is to be sold, the board of county commissioners may make an order, to be entered on the record of its proceedings, directing the county treasurer to sell the property particularly described therein, after giving notice of sale, for a total amount not less than the amount of the taxes, ~~any unpaid assessments imposed pursuant to chapter 271 of NRS, and~~ costs, penalties and interest legally chargeable against the property as stated in the order.

3. Notice of the sale must specify the day, time and place of the sale and be:

(a) Posted in at least three public places in the county, including one at the courthouse and one on the property, not less than 20 days before the day of sale or, in lieu of such a posting, by publication of the notice at least once a week for 4 consecutive weeks by four weekly insertions in some newspaper published within the county, the first publication being at least 22 days before the day of the sale, if the board of county commissioners so directs.

(b) Mailed by certified mail, return receipt requested, not less than 90 days before the day of the sale, to the owner of the parcel as shown on the tax roll and to any person or governmental entity that appears in the records of the county to have a lien or other interest in the property. If the receipt is returned unsigned, the county treasurer must make a reasonable attempt to locate and notify the owner or other person or governmental entity before the sale.

4. ~~Upon compliance with such an order the~~ Except as otherwise provided in subsection 5, the county treasurer shall make, execute and deliver to any purchaser, upon payment to the county treasurer, as trustee, of a consideration not less than that specified in the order, a quitclaim deed, discharged of any trust of the property mentioned in the order.

5. If, not later than 5 p.m. on the third business day immediately preceding the day of the sale by the county treasurer, a municipality provides the county treasurer with an affidavit signed by the treasurer of the municipality stating that:

(a) The municipality sold the property or the property was stricken off to the municipality pursuant to NRS 271.560; and

(b) A certificate of sale for the property was issued to the purchaser pursuant to NRS 271.570 or to the municipality pursuant to NRS 271.560,

the county treasurer may not issue the quitclaim deed described in subsection 4 unless the person who purchased the property from the county pays to the municipality any amount owed pursuant to the certificate of sale issued pursuant to NRS 271.560 and 271.570 and the municipality provides an affidavit signed by the treasurer of the municipality stating that such amounts have been paid. If the purchaser does not pay the amount owed to the municipality within 20 days after the sale of the property by the county, the sale of the property by the county is void and the county treasurer may retain for administrative costs not more than 10 percent of the purchase amount paid by the purchaser.

6. Before delivering ~~any such~~ a deed, the county treasurer shall record the deed at the expense of the purchaser.

~~6.~~ 7. All ~~such~~ deeds ~~is~~ issued pursuant to this section, whether issued before, on or after July 1, 1955, are primary evidence:

(a) Of the regularity of all proceedings relating to the order of the board of county commissioners, the notice of sale and the sale of the property; and

(b) That, if the real property was sold to pay taxes on personal property, the real property belonged to the person liable to pay the tax.

~~{7.}~~ 8. No ~~{such}~~ deed may be executed and delivered by the county treasurer until he or she files at the expense of the purchaser, with the clerk of the board of county commissioners, proper affidavits of posting and of publication of the notice of sale, as the case may be, together with his or her return of sale, verified, showing compliance with the order of the board of county commissioners, which constitutes primary evidence of the facts recited therein.

~~{8.}~~ 9. If the deed when regularly issued is not recorded in the office of the county recorder, the deed, and all proceedings relating thereto, is void as against any subsequent purchaser in good faith and for a valuable consideration of the same property, or any portion thereof, when his or her own conveyance is first recorded.

~~{9.}~~ 10. The board of county commissioners shall provide its clerk with a record book in which must be indexed the name of each purchaser, together with the date of sale, a description of the property sold, a reference to the book and page of the minutes of the board of county commissioners where the order of sale is recorded, and the file number of the affidavits and return.

Sec. 29. ~~{NRS 361.603 is hereby amended to read as follows:~~

~~361.603 1. Any local government or the Nevada System of Higher Education may, in the manner provided in this section, acquire property held in trust by the treasurer of the county in which the local government or any part of the System is located by virtue of any deed made pursuant to the provisions of this chapter.~~

~~2. Whenever any local government or the Nevada System of Higher Education determines that a public purpose may be served by the acquisition of the property, it may make application to the board of county commissioners for permission to acquire the property. If the board of county commissioners approves the application, it shall direct the county treasurer to give notice of intent to sell to the last known owner or heirs or devisees of the last known owner of the property in the manner provided by law.~~

~~3. The last known owner may, within 90 days after the notice, redeem the property by paying to the treasurer the amount of the delinquent taxes, ~~{plus}~~ assessments imposed pursuant to chapter 271 of NRS and penalties, interest and costs.~~

~~4. If the owner fails to redeem the property within the time allowed, the county treasurer shall transfer the property to the local government or the Board of Regents of the University of Nevada upon receiving from it the amount of the delinquent taxes ~~{,}~~ and assessments, except as otherwise provided in subsection 5.~~

~~5. If property is so transferred to a local government for street, sewer or drainage uses, for use in a program for the rehabilitation of abandoned residential properties established by the local government pursuant to chapter 279B of NRS, or for use as open space real property as designated in a city, county or regional comprehensive plan, the delinquent taxes and assessments need not be paid.~~

~~6. As used in this section, "open space real property" has the meaning ascribed to it in NRS 361A.040.~~ (Deleted by amendment.)

Sec. 29.5. NRS 361.610 is hereby amended to read as follows:

361.610 1. Out of the sale price or rents of any property of which he or she is trustee, the county treasurer shall pay the costs due any officer for the enforcement of the tax upon the parcel of property and all taxes owing thereon, and upon the redemption of any property from the county treasurer as trustee, he or she shall pay the redemption money over to any officers having fees due them from the parcels of property and pay the tax for which it was sold and pay the redemption percentage according to the proportion those fees respectively bear to the tax.

2. In no case may:

(a) Any service rendered by any officer under this chapter become or be allowed as a charge against the county; or

(b) The sale price or rent or redemption money of any one parcel of property be appropriated to pay any cost or tax upon any other parcel of property than that so sold, rented or redeemed.

3. After paying all the tax and costs upon any one parcel of property, the county treasurer shall pay into the general fund of the county, from the excess proceeds of the sale:

(a) The first \$300 of the excess proceeds; and

(b) Ten percent of the next \$10,000 of the excess proceeds.

4. The amount remaining after the county treasurer has paid the amounts required by subsection 3 must be deposited in an interest-bearing account maintained for the purpose of holding excess proceeds separate from other money of the county. If no claim is made for the excess proceeds within 1 year after the deed given by the county treasurer is recorded, the county treasurer shall pay the money into the general fund of the county, and it must not thereafter be refunded to the former property owner or his or her successors in interest. All interest paid on money deposited in the account required by this subsection is the property of the county.

5. If a person who would have been entitled to receive reconveyance of the property pursuant to NRS 361.585 makes a claim in writing for the excess proceeds within 1 year after the deed is recorded, the county treasurer shall pay the claim or the proper portion of the claim over to the person if the county treasurer is satisfied that the person is entitled to it.

6. A claim for excess proceeds must be paid out in the following order of priority to:

(a) The persons specified in paragraphs (b), (c), (d), (g), ~~and~~ (h) and (i) of subsection 4 of NRS 361.585 in the order of priority of the recorded liens; and

(b) Any person specified in paragraphs (a), (e) and (f) of subsection 4 of NRS 361.585.

7. The county treasurer shall approve or deny a claim within 30 days after the period described in subsection 4 for filing a claim has expired. Any

records or other documents concerning a claim shall be deemed the working papers of the county treasurer and are confidential. If more than one person files a claim, and the county treasurer is not able to determine who is entitled to the excess proceeds, the matter must be submitted to mediation.

8. If the mediation is not successful, the county treasurer shall:

(a) Conduct a hearing to determine who is entitled to the excess proceeds;

or

(b) File an action for interpleader.

9. A person who is aggrieved by a determination of the county treasurer pursuant to this section may, within 90 days after the person receives notice of the determination, commence an action for judicial review of the determination in district court.

10. Any agreement to locate, deliver, recover or assist in the recovery of remaining excess proceeds of a sale which is entered into by a person who would have been entitled to receive reconveyance of the property pursuant to subsection 4 of NRS 361.585 must:

(a) Be in writing.

(b) Be signed by the person who would have been entitled to receive reconveyance.

(c) Not provide for a fee of more than 10 percent of the total remaining excess proceeds of the sale due that person.

11. In addition to authorizing a person pursuant to an agreement described in subsection 10 to file a claim and collect from the county treasurer any property owed to the person, a person described in subsection 4 of NRS 361.585 may authorize a person pursuant to a power of attorney, assignment or any other legal instrument to file a claim and collect from the county treasurer any property owed to him or her. The county is not liable for any losses resulting from the approval of the claim if the claim is paid by the county treasurer in accordance with the provisions of the legal instrument.

Sec. 30. 1. For any improvement district formed before July 1, 2015, and conducting a commercial area vitalization project on that date, the amendatory provisions of this act shall not be deemed to:

(a) Dissolve the improvement district.

(b) Impair the authority of the governing body with respect to the project.

(c) Affect any assessment levied to pay any indebtedness:

(1) Incurred for the project before July 1, 2015; and

(2) Remaining unpaid on that date.

2. As used in this section, "commercial area vitalization project" has the meaning ascribed to it in NRS 271.063, as that section existed before July 1, 2015.

Sec. 31. This act becomes effective on July 1, 2015.

Senator Goicoechea moved the adoption of the amendment.

Remarks by Senator Goicoechea.

The amendment to Senate Bill No. 47 makes several changes. Most notably, it allows for the creation of local improvement districts to improve waterfront properties; deletes the provision of

supplemental services from the definition of a neighborhood improvement project; expands the allowable uses of the surplus and deficiency fund; allows the governing body to grant authority, by resolution, to the treasurer to reduce or waive certain fees and interest as long as such waiver does not impair a municipality's ability to pay its bond obligations; and revises provisions relevant to the collection of delinquent assessments prior to a county conveying a deed.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 78.

Bill read second time and ordered to third reading.

Senate Bill No. 112.

Bill read second time.

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

Amendment No. 197.

SUMMARY—Revises provisions relating to telecommunications.
(BDR 58-636)

AN ACT relating to telecommunications; ~~repealing provisions which require~~ authorizing, rather than requiring, the Public Utilities Commission of Nevada to establish certain standards of performance for and the imposition of penalties against a telecommunication provider; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Public Utilities Commission of Nevada to adopt regulations which establish: (1) standards of performance and reporting requirements regarding the provision of interconnection, unbundled network elements and resold services to encourage competition and discourage discriminatory conduct in the provision of local telecommunication services; and (2) penalties and expedited procedures for imposing those penalties upon a telecommunication provider for actions that are inconsistent with the standards of performance. (NRS 704.6881) Pursuant to that requirement, the Commission has adopted regulations setting forth the standards of performance and penalties for nonrural incumbent local exchange carriers. (NAC 704.6803-704.680315) ~~Section 7 of this bill repeals the provisions of existing law which require the Commission to adopt those regulations, and section 6 of this bill declares those regulations to be void.~~ Section 2.5 of this bill amends existing law to make the adoption of those regulations discretionary rather than mandatory.

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

Section 1. ~~NRS 704.640 is hereby amended to read as follows:~~

~~704.640 Except as otherwise provided in NRS [704.6881 to] 704.6882, 704.6883 and 704.6884, [inclusive,] any person who:~~

~~1. Operates any public utility to which NRS 704.005 to 704.754, inclusive, 704.9901 and 704.993 to 704.999, inclusive, apply without first~~

~~obtaining a certificate of public convenience and necessity or in violation of its terms;~~

~~2. Fails to make any return or report required by NRS 704.005 to 704.754, inclusive, 704.9901 and 704.993 to 704.999, inclusive, or by the Commission pursuant to NRS 704.005 to 704.754, inclusive, 704.9901 and 704.993 to 704.999, inclusive;~~

~~3. Violates, or procures, aids or abets the violating of any provision of NRS 704.005 to 704.754, inclusive, 704.9901 and 704.993 to 704.999, inclusive;~~

~~4. Fails to obey any order, decision or regulation of the Commission;~~

~~5. Procures, aids or abets any person in the failure to obey the order, decision or regulation; or~~

~~6. Advertises, solicits, proffers bids or otherwise holds himself, herself or itself out to perform as a public utility in violation of any of the provisions of NRS 704.005 to 704.754, inclusive, 704.9901 and 704.993 to 704.999, inclusive;~~

~~shall be fined not more than \$500.] (Deleted by amendment.)~~

Sec. 2. ~~[NRS 704.684 is hereby amended to read as follows:~~

~~704.684 1. Except as otherwise provided in this section, the Commission shall not regulate any broadband service, including imposing any requirements relating to the terms, conditions, rates or availability of broadband service.~~

~~2. The provisions of subsection 1 do not limit or modify the authority of the Commission to:~~

~~(a) Consider any revenues, costs and expenses that a small scale provider of last resort derives from providing a broadband service, if the Commission is determining the rates of the provider under a general rate application that is filed pursuant to subsection 3 of NRS 704.110;~~

~~(b) Act on a complaint filed pursuant to NRS 703.310, if the complaint relates to a broadband service that is provided by a public utility;~~

~~(c) Include any appropriate gross operating revenue that a public utility derives from providing broadband service when the Commission calculates the gross operating revenue of the public utility for the purposes of levying and collecting the annual assessment in accordance with the provisions of NRS 704.033; or~~

~~(d) Determine the rates, pricing, terms and conditions of intrastate switched or special access services provided by a telecommunication provider.~~

~~3. The provisions of subsection 1 do not:~~

~~(a) Apply to the Commission in connection with any actions or decisions required or permitted by the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56-161;~~

~~(b) Prevent the Commission from exercising its authority pursuant to 47 U.S.C. § 214(e) or § 254(f) relating to the implementation of the federal universal service program, including, without limitation, taking any action~~

~~within the scope of that authority because of a regulation or order of the Federal Communications Commission; or~~

~~(e) Limit or modify:~~

~~(1) The duties of a telecommunication provider regarding the provision of network interconnection, unbundled network elements and resold services under the provisions of the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56-161; or~~

~~(2) The authority of the Commission to act pursuant to NRS [704.6881 and] 704.6882.~~

~~4. As used in this section, "broadband service" means any two way service that transmits information at a rate that is generally not less than 200 kilobits per second in at least one direction. (Deleted by amendment.)~~

Sec. 2.5. NRS 704.6881 is hereby amended to read as follows:

704.6881 The Commission ~~shall,~~ may, by regulation:

1. Establish standards of performance and reporting regarding the provision of interconnection, unbundled network elements and resold services, which encourage competition and discourage discriminatory conduct in the provision of local telecommunication services; and

2. Notwithstanding the provisions of NRS 703.320 to the contrary, establish penalties and expedited procedures for imposing penalties upon a telecommunication provider for actions that are inconsistent with the standards established by the Commission pursuant to subsection 1 ~~[-]~~ , if any. Such penalties may include financial payment to the complaining telecommunication provider for a violation of the standards established by the Commission pursuant to subsection 1, if any, provided that any penalty paid must be deducted, with interest, from any other award under any other judicial or administrative procedure for the same conduct in the same reporting period. Any penalty imposed pursuant to this subsection is in lieu of the administrative fine set forth in NRS 703.380 and must be:

(a) Imposed for violating a standard or standards established by regulations of the Commission pursuant to subsection 1;

(b) Determined by the Commission to further the goal of encouraging competition or discouraging discriminatory conduct; and

(c) In an amount reasonable to encourage competition or discourage discriminatory conduct.

Sec. 3. ~~NRS 704.6883 is hereby amended to read as follows:~~

~~704.6883 Any judicial review of a decision by the Commission pursuant to NRS [704.6881 and] 704.6882 must be made in accordance with NRS 703.373 to 703.376, inclusive. (Deleted by amendment.)~~

Sec. 4. NRS 704.6884 is hereby amended to read as follows:

704.6884 The provisions of NRS 704.6881 to ~~[704.6882, 704.6883 and]~~ 704.6884 inclusive, must not be construed to exempt telecommunication providers from any other applicable statute of this State or the United States relating to consumer and antitrust protections. The exemption provided in paragraph (c) of subsection 3 of NRS 598A.040 does not apply to conduct of,

or actions taken by a telecommunication provider in violation of the standards established pursuant to subsection 1 of NRS 704.6881 ~~[-], if any.~~

Sec. 5. ~~[NRS 704.68863 is hereby amended to read as follows:~~

~~704.68863 The provisions of NRS 704.68861 to 704.68887, inclusive, do not:~~

~~1. Apply to the Commission in connection with any actions or decisions required or permitted by the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56-161; or~~

~~2. Limit or modify:~~

~~(a) The duties of a competitive supplier that is an incumbent local exchange carrier regarding the provision of network interconnection, unbundled network elements and resold services under the provisions of the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56-161; or~~

~~(b) The authority of the Commission to act pursuant to NRS [704.6881 and] 704.6882.] (Deleted by amendment.)~~

Sec. 6. ~~[Any regulations adopted by the Public Utilities Commission of Nevada pursuant to NRS 704.6881 are void. The Legislative Counsel shall remove those regulations from the Nevada Administrative Code as soon as practicable after July 1, 2015.] (Deleted by amendment.)~~

Sec. 7. ~~[NRS 704.6881 is hereby repealed.] (Deleted by amendment.)~~

Sec. 8. This act becomes effective on July 1, 2015.

~~TEXT OF REPEALED SECTION~~

~~704.6881 Establishment of standards and penalties to encourage competition and discourage discrimination in provision of local telecommunication services. The Commission shall, by regulation:~~

~~1. Establish standards of performance and reporting regarding the provision of interconnection, unbundled network elements and resold services, which encourage competition and discourage discriminatory conduct in the provision of local telecommunication services; and~~

~~2. Notwithstanding the provisions of NRS 703.320 to the contrary, establish penalties and expedited procedures for imposing penalties upon a telecommunication provider for actions that are inconsistent with the standards established by the Commission pursuant to subsection 1. Such penalties may include financial payment to the complaining telecommunication provider for a violation of the standards established by the Commission pursuant to subsection 1, provided that any penalty paid must be deducted, with interest, from any other award under any other judicial or administrative procedure for the same conduct in the same reporting period. Any penalty imposed pursuant to this subsection is in lieu of the administrative fine set forth in NRS 703.380 and must be:~~

~~(a) Imposed for violating a standard or standards established by regulations of the Commission pursuant to subsection 1;~~

~~(b) Determined by the Commission to further the goal of encouraging competition or discouraging discriminatory conduct; and~~

~~(e) In an amount reasonable to encourage competition or discourage discriminatory conduct.]~~

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 197 makes two changes to Senate Bill No. 112. The amendment: 1) retains existing provisions in law that establish standards of performance and reporting regarding the provision of interconnection, unbundled network elements, and resold services of local telecommunication services; 2) amends the bill to authorize the Public Utilities Commission of Nevada to adopt regulations concerning standards and penalties that encourage competition and discourage discrimination in the provision of local telecommunication services, but no longer requires it to do so.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 227.

Bill read second time.

The following amendment was proposed by the Committee on Education:

Amendment No. 296.

SUMMARY—Creates the Silver State Opportunity Grant Program.
(BDR 34-216)

AN ACT relating to education; creating the Silver State Opportunity 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.

Legislative Counsel's Digest:

This bill creates the Silver State Opportunity Grant Program. Under the Program, the Board of Regents of the University of Nevada is required to award grants to eligible students who are enrolled in community colleges and state colleges that are part of the Nevada System of Higher Education to pay for a portion of the cost of education at such institutions. Section 3 of this bill sets forth the criteria for eligibility for such a grant. Section 4 of this bill requires the Board of Regents or a designee of the Board to: (1) calculate the maximum amount of the grant which a student is eligible to receive; (2) determine the actual amount each eligible student will receive; and (3) make grants to all eligible students. Section 4 provides that any money awarded under the Program must be used only to pay the cost of education of a student and not for any other purpose. Section 5 of this bill requires the Board of Regents to adopt regulations prescribing the procedures and standards for determining eligibility ~~and~~ the methodology for calculating the financial need of a student ~~and~~ and the process by which a student may meet certain requirements for eligibility for a grant. Section 6 of this bill authorizes the Board of Regents to accept gifts, grants, bequests and donations to fund grants awarded under the Program.

Section 7 of this bill requires the Board of Regents to submit a biennial report on the Program to the Legislature. The report must include information regarding: (1) the number of grants awarded under the Program; (2) the average amount of each grant; and (3) the percentage of students awarded grants who remained in school and who eventually earned a degree or certificate.

Finally, section 9 of this bill includes appropriations from the State General Fund to the Board of Regents for the award of grants in the amount of \$5 million per year for Fiscal Years 2015-2016 and 2016-2017.

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

Section 1. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.

Sec. 2. *As used in sections 2 to 7, inclusive, of this act, unless the context otherwise requires, "Program" means the Silver State Opportunity Grant Program created by section 3 of this act.*

Sec. 3. 1. *The Silver State Opportunity Grant Program is hereby created for the purpose of awarding grants to eligible students to pay for a portion of the cost of education at a community college or state college within the System.*

2. *The Board of Regents shall administer the Program.*

3. *In administering the Program, the Board of Regents shall for each semester, subject to the limits of money available for this purpose, award a grant to each eligible student to pay for a portion of the cost of education at a community college or state college within the System.*

4. *To be eligible for a grant awarded under the Program, a student must:*

(a) *Be enrolled, or accepted to be enrolled, during a semester in at least 15 credit hours at a community college or state college within the System;*

(b) *Be enrolled in a program of study leading to a recognized degree or certificate;*

(c) *Demonstrate proficiency in English and mathematics sufficient for placement into college-level English and mathematics courses pursuant to regulations adopted by the Board of Regents for such placement;*

(d) *Be a bona fide resident of the State of Nevada for the purposes of determining pursuant to NRS 396.540 whether the student is assessed a tuition charge; and*

(e) *Complete the Free Application for Federal Student Aid provided for by 20 U.S.C. § 1090.*

Sec. 4. 1. *For each eligible student, the Board of Regents or a designee thereof shall:*

(a) *Calculate the maximum amount of the grant which the student is eligible to receive. The maximum amount of such a grant must not exceed the amount equal to the cost of education of the student minus the amounts determined for the student contribution, family contribution and federal contribution to the cost of education of the student.*

(b) Determine the actual amount of the grant which will be awarded to each student, which amount must not exceed the maximum amount calculated pursuant to paragraph (a), but which may be in a lesser amount if the Board of Regents or a designee thereof, as applicable, determines that the amount of money available for all grants for any semester is insufficient to award to all eligible students the maximum amount of the grant which each student is eligible to receive.

(c) Award to each eligible student a grant in the amount determined pursuant to paragraph (b).

2. Money received from a grant awarded under the Program must be used by a student only to pay for the cost of education of the student at a community college or state college within the System and not for any other purpose.

Sec. 5. 1. The Board of Regents:

(a) Shall adopt regulations prescribing the procedures and standards for determining the eligibility of a student for a grant from the Program.

(b) Shall adopt regulations prescribing the methodology by which the Board of Regents or a designee thereof will calculate:

(1) The cost of education of a student at each community college and state college within the System, which must be consistent with the provisions of 20 U.S.C. § 1087ll.

(2) For each student, the amounts of the student contribution, family contribution and federal contribution to the cost of education of the student.

(3) The maximum amount of the grant for which a student is eligible.

(c) Shall adopt regulations prescribing the process by which each student may meet the credit-hour requirement described in paragraph (a) of subsection 4 of section 3 of this act for eligibility for a grant awarded under the Program.

(d) May adopt any other regulations necessary to carry out the Program.

2. The regulations prescribed pursuant to this section must provide that:

(a) In determining the student contribution to the cost of education, the student contribution must not exceed the amount that the Board of Regents determines the student reasonably could be expected to earn from employment during the time the student is enrolled at a community college or state college within the System, including, without limitation, during breaks between semesters. This paragraph and any regulations adopted pursuant to this section must not be construed to require a student to seek or obtain employment as a condition of eligibility for a grant under the Program.

(b) Determination of the family contribution to the cost of education must be based on the family resources reported in the Free Application for Federal Student Aid submitted by the student.

(c) Determination of the federal contribution to the cost of education must be equal to the total amount that the student and his or her family are expected to receive from the Federal Government as grants.

Sec. 6. *In addition to any direct legislative appropriation from the State General Fund, the Board of Regents may accept gifts, grants, bequests and donations to fund grants awarded under the Program.*

Sec. 7. *On or before February 1 of each odd-numbered year, the Board of Regents shall submit to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature a written report on the Program which must include, without limitation, information regarding:*

1. *The number of students during the immediately preceding school year who were awarded grants under the Program.*

2. *The average amount of each grant awarded under the Program for the immediately preceding school year.*

3. *The success of the Program, including, without limitation, information regarding the percentage of students awarded grants since the creation of the Program who have remained enrolled at a community college or state college within the System and the percentage of students awarded grants since the creation of the Program who have been awarded a degree or certificate.*

Sec. 8. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 9. There is hereby appropriated from the State General Fund to the Board of Regents of the University of Nevada for the award of grants pursuant to the Silver State Opportunity Grant Program created by section 3 of this act:

For the Fiscal Year 2015-2016	\$5,000,000
For the Fiscal Year 2016-2017	\$5,000,000

Sec. 10. Any balance of the sums appropriated by section 9 of this act remaining at the end of the respective fiscal years must not be committed for expenditure after June 30 of the respective fiscal years by the Board of Regents of the University of Nevada or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 16, 2016, and September 15, 2017, respectively, by either the Board of Regents of the University of Nevada or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 16, 2016, and September 15, 2017, respectively.

Sec. 11. This act becomes effective:

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

2. On July 1, 2015, for all other purposes.

Senator Harris moved the adoption of the amendment.

Remarks by Senator Harris.

The amendment to Senate Bill No. 227 requires the Board of Regents to adopt regulations prescribing a process for students to meet the 15-credit requirement. It also adds Senator Harris as a sponsor of the bill.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 231.

Bill read second time.

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

Amendment No. 157.

SUMMARY—Revises provisions relating to workers' compensation. (BDR 53-986)

AN ACT relating to workers' compensation; limiting the amount of a controlled substance that certain providers of health care ~~can charge an insurer for providing prescription drugs~~ may dispense to an injured employee; revising provisions related to the time that an insurer has to pay a bill submitted by a provider of health care; revising provisions relating to injured employees who were injured while intoxicated or under the influence of a controlled or prohibited substance; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill revises various provisions of the Nevada Industrial Insurance Act which provides for the payment of compensation to employees who are injured or disabled as a result of an occupational injury or disease. (Chapters 616A-616D of NRS)

Section 1 of this bill sets forth that a provider of health care (not including a pharmacist ~~who prescribes and dispenses a drug to an injured employee or hospital~~) may ~~not charge an insurer more than 110 percent of the average wholesale price of the prescribed drug based on the original manufacturer's National Drug Code for the drug~~ dispense only an initial 15-day supply of a schedule II or III controlled substance to an injured employee. In addition, the provider of health care must include the original manufacturer's National Drug Code for the drug on all bills and reports submitted to the insurer. ~~and may not charge or seek reimbursement for more than an initial 15-day supply of the drug.~~ Section 1 also provides that an insurer that provides coverage for prescription drugs must provide coverage for any drug: (1) prescribed for a covered indication that is approved by the United States Food and Drug Administration for the indication; (2) recognized in a standard reference compendia for treatment of the indication; or (3) is substantially accepted for treatment for the indication in peer-reviewed medical literature.

Existing law provides a two-step process for an insurer to pay a bill submitted by a provider of health care. First, the insurer must approve or deny the bill within 30 days of receipt. Second, if the insurer approves the

bill, they must pay the bill within 30 days of the approval. (NRS 616C.136) Section 2 of this bill consolidates these two steps and requires that an insurer pay or deny a bill within 45 days ~~of~~ after receipt.

Existing law provides that compensation is not payable to an employee whose injury is proximately caused by the employee's intoxication or use of a controlled substance. Existing law also provides a rebuttable presumption that an employee's intoxication or use of a controlled substance at the time of the injury is the proximate cause of the injury. (NRS 616C.230) Section 3 of this bill revises these provisions by ~~removing the rebuttable presumption and~~ replacing ~~it~~ them with a requirement that the employee not receive compensation whenever an injury occurs to the employee while the employee is intoxicated or under the influence of a controlled or prohibited substance ~~it~~, unless the employee can prove by clear and convincing evidence that his or her intoxication or being under the influence of a controlled or prohibited substance was not the proximate cause of the injury. Further, section 3 provides that the employee is intoxicated or under the influence of a controlled or prohibited substance for the purposes of not receiving compensation whenever the employee meets or exceeds the limits for intoxication or use of a controlled or prohibited substance as set forth in NRS 484C.110, which prescribes such limits in the context of driving under the influence. In addition, section 3 provides that the results of any alcohol or drug test performed as a result of an injury must be made available to an insurer or employer upon request.

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

Section 1. Chapter 616C of NRS is hereby amended by adding thereto a new section to read as follows:

1. *With respect to drugs prescribed and dispensed directly to an injured employee by a provider of health care:*

~~(a) The provider of health care shall not charge an insurer, or seek reimbursement for, more than 110 percent of the average wholesale price for a prescription drug, calculated on a per unit basis, as of the date of dispensing the prescription drug to the injured employee.~~

~~(b) The provider of health care shall not charge an insurer, or seek reimbursement for, an initial supply of a prescription drug which exceeds the quantity necessary to treat an injured employee for 15 days, as measured from the date of first treatment of the injured employee, or which is charged or reimbursed at a rate higher than that allowed in accordance with this section.~~

~~(c) may dispense an initial supply of a controlled substance which is listed in schedule II or III by the State Board of Pharmacy pursuant to NRS 453.146 to an injured employee. Any controlled substances prescribed to an injured employee beyond the initial supply must be filled by a pharmacy that is registered with the State Board of Pharmacy.~~

(b) The provider of health care shall include the original manufacturer's National Drug Code, as assigned by the United States Food and Drug Administration, on all bills and reports submitted to an insurer pursuant to this chapter.

~~[(d)] (c)~~ A repackaged National Drug Code must not be used and must not be considered an original manufacturer's National Drug Code for the purposes of this section. ~~If a provider of health care does not include the original manufacturer's National Drug Code on a bill or report submitted to an insurer pursuant to this chapter, the provider of health care is only entitled to receive as payment from an insurer a maximum of 110 percent of the average wholesale price of the least expensive, clinically equivalent prescription drug, calculated on a per unit basis.~~

~~(e)] (d)~~ A provider of health care who provides care on an outpatient basis may not charge an insurer or seek reimbursement for dispensing a nonprescription drug to an injured employee.

2. An insurer who provides coverage for prescription drugs shall provide coverage for any drug prescribed to treat a covered medical condition if the drug:

(a) Has been approved by the United States Food and Drug Administration for the treatment of at least one medical condition;

(b) Is recognized in a standard reference compendia for treatment of the covered medical condition; or

(c) Is substantially accepted for treatment of the covered medical condition in peer-reviewed medical literature.

3. ~~[(A) A provider of health care who is a practitioner who is registered with the State Board of Pharmacy shall report to the State Board of Pharmacy and the Investigation Division of the Department of Public Safety, using the computerized program established pursuant to NRS 453.1545, all prescription drugs, in excess of a 15 day supply, that are prescribed or dispensed to an injured employee and that are listed as schedule II or III controlled substances pursuant to the United States Controlled Substances Act, 21 U.S.C. § 812.~~

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

(a) ~~["Average wholesale price" means the price at which a wholesaler sells a drug to a physician, pharmacy or other customer and which is commonly reported by commercial publishers of drug pricing data.~~

~~(b) "Clinically equivalent prescription drug" means a drug that, when administered in similar dosages, provides a substantially similar therapeutic effect for the control of a symptom or disease.~~

~~(c)]~~ "Initial supply" means a quantity of a controlled substance that when used as prescribed does not exceed a 15-day supply and that is provided on a one-time basis.

(b) "Provider of health care" has the meaning ascribed to it in NRS 629.031, but does not include a pharmacist ~~or~~ or a hospital as defined in NRS 449.012.

Sec. 2. NRS 616C.136 is hereby amended to read as follows:

616C.136 1. Except as otherwise provided in this section, an insurer shall ~~approve or deny a bill for accident benefits received from a provider of health care within 30 calendar days after the insurer receives the bill. If the bill for accident benefits is approved, the insurer shall~~ pay ~~the~~ or deny a bill for accident benefits received from a provider of health care within ~~30~~ 45 calendar days after ~~it is approved.~~ the insurer or third-party administrator receives the bill. Except as otherwise provided in this section, if the ~~approved~~ bill for accident benefits is not paid within that period, the insurer shall pay interest to the provider of health care at a rate of interest equal to the prime rate at the largest bank in Nevada, as ascertained by the Commissioner of Financial Institutions, on January 1 or July 1, as the case may be, immediately preceding the date on which the payment was due, plus 6 percent. The interest must be calculated from ~~30~~ 45 calendar days after the date on which the bill is ~~approved~~ received until the date on which the bill is paid.

2. If an insurer needs additional information to determine whether to ~~approve~~ pay or deny a bill for accident benefits received from a provider of health care, the insurer shall notify the provider of health care of his or her request for the additional information within 20 calendar days after the insurer receives the bill. The insurer shall notify the provider of health care of all the specific reasons for the delay in ~~approving~~ paying or denying the bill for accident benefits. Upon the receipt of such a request, the provider of health care shall furnish the additional information to the insurer within 20 calendar days after receiving the request. If the provider of health care fails to furnish the additional information within that period, the provider of health care is not entitled to the payment of interest to which the provider of health care would otherwise be entitled for the late payment of the bill for accident benefits. The insurer shall ~~approve~~ pay or deny the bill for accident benefits within 20 calendar days after the insurer receives the additional information. ~~[[If the bill for accident benefits is approved, the insurer shall pay the bill within 20 calendar days after the insurer receives the additional information.]~~ Except as otherwise provided in this subsection, if the ~~approved~~ bill for accident benefits is not paid within that period, the insurer shall pay interest to the provider of health care at the rate set forth in subsection 1. The interest must be calculated from 20 calendar days after the date on which the insurer receives the additional information until the date on which the bill is paid.

3. An insurer shall not request a provider of health care to resubmit information that the provider of health care has previously provided to the insurer, unless the insurer provides a legitimate reason for the request and the purpose of the request is not to delay the payment of the accident benefits, harass the provider of health care or discourage the filing of claims.

4. An insurer shall not pay only a portion of a bill for accident benefits that ~~has been approved and~~ is fully payable.

5. The Administrator may require an insurer to provide evidence which demonstrates that the insurer has substantially complied with the requirements of this section, including, without limitation, payment within the time required of at least 95 percent of ~~approved~~ accident benefits . ~~for at least 90 percent of the total dollar amount of approved accident benefits.~~ If the Administrator determines that an insurer is not in substantial compliance with the requirements of this section, the Administrator may require the insurer to pay an administrative fine in an amount to be determined by the Administrator.

6. The payment of interest provided for in this section for ~~the~~ a late payment ~~of an approved claim~~ may be waived only if the payment was delayed because of an act of God or another cause beyond the control of the insurer.

7. Payments made by an insurer pursuant to this section are not an admission of liability for the accident benefits or any portion of the accident benefits.

Sec. 3. NRS 616C.230 is hereby amended to read as follows:

616C.230 1. Compensation is not payable pursuant to the provisions of chapters 616A to 616D, inclusive, or chapter 617 of NRS for an injury:

(a) Caused by the employee's willful intention to injure himself or herself.

(b) Caused by the employee's willful intention to injure another.

(c) ~~Proximately caused by the employee's~~ *That occurred while the employee was in a state of intoxication.* ~~;~~ ~~If the employee was intoxicated at the time of his or her injury, intoxication must be presumed to be a proximate cause unless rebutted by evidence to the contrary.~~ *, unless the employee can prove by clear and convincing evidence that his or her state of intoxication was not the proximate cause of the injury. For the purposes of this paragraph, an employee is in a state of intoxication if the level of alcohol in the bloodstream of the employee meets or exceeds the limits set forth in subsection 1 of NRS 484C.110.*

(d) ~~Proximately caused by the employee's use~~ *That occurred while the employee was under the influence of a controlled or prohibited substance.* ~~;~~ ~~If the employee had any~~ *, unless the employee can prove by clear and convincing evidence that his or her being under the influence of a controlled or prohibited substance was not the proximate cause of the injury. For the purposes of this paragraph, an employee is under the influence of a controlled or prohibited substance if the employee had an amount of a controlled or prohibited substance in his or her system at the time of his or her injury that was equal to or greater than the limits set forth in subsection 3 of NRS 484C.110 and for which the employee did not have a current and lawful prescription issued in the employee's name .* ~~for that the employee was not using in accordance with the provisions of chapter 453A of NRS, the controlled substance must be presumed to be a proximate cause unless rebutted by evidence to the contrary.~~

2. For the purposes of paragraphs (c) and (d) of subsection 1:

(a) The affidavit or declaration of an expert or other person described in NRS 50.310, 50.315 or 50.320 is admissible to prove the existence of ~~any~~ *an impermissible quantity of alcohol* or the existence, quantity or identity of ~~a~~ *an impermissible controlled or prohibited substance* in an employee's system. If the affidavit or declaration is to be so used, it must be submitted in the manner prescribed in NRS 616C.355.

(b) When an examination requested or ordered includes testing for the use of alcohol or a controlled *or prohibited* substance, the laboratory that conducts the testing must be licensed pursuant to the provisions of chapter 652 of NRS.

(c) *The results of any testing for the use of alcohol or a controlled or prohibited substance, irrespective of the purpose for performing the test, must be made available to an insurer or employer upon request, to the extent that doing so does not conflict with federal law.*

3. No compensation is payable for the death, disability or treatment of an employee if the employee's death is caused by, or insofar as the employee's disability is aggravated, caused or continued by, an unreasonable refusal or neglect to submit to or to follow any competent and reasonable surgical treatment or medical aid.

4. If any employee persists in an unsanitary or injurious practice that imperils or retards his or her recovery, or refuses to submit to such medical or surgical treatment as is necessary to promote his or her recovery, the employee's compensation may be reduced or suspended.

5. An injured employee's compensation other than accident benefits must be suspended if ;

(a) A ~~an~~ physician or chiropractor determines that the employee is unable to undergo treatment, testing or examination for the industrial injury solely because of a condition or injury that did not arise out of and in the course of employment ; and

(b) ~~;~~

~~(a) It is within the ability of the employee to correct the nonindustrial condition or injury ~~;~~ or~~

~~(b) If the condition or injury is a nonindustrial condition or injury, and the condition or injury interferes with the ability of the physician or chiropractor to treat, test or examine the employee.~~

↪ The compensation must be suspended until the injured employee is able to resume treatment, testing or examination for the industrial injury. The insurer may elect to pay for the treatment of the nonindustrial condition or injury.

6. *As used in this section, "prohibited substance" has the meaning ascribed to it in NRS 484C.080.*

Sec. 4. This act becomes effective upon passage and approval for the purposes of adopting any regulations or performing any preparatory administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2016, for all other purposes.

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 157 makes five changes to Senate Bill No. 231: 1) deletes the provision that an injured employee's compensation, other than accident benefits, must be suspended if the condition is a nonindustrial condition or injury, and the condition or injury interferes with the ability of a physician or chiropractor to treat, test or examine the employee; 2) deletes the provision prohibiting a health care provider, who dispenses drugs directly to an injured employee, from charging an insurer more than 110 percent of the average wholesale price of the prescribed drug; 3) allows a health care provider to dispense from his or her office an initial supply of up to 15 days of a schedule II or schedule III controlled substance to an injured employee; 4) deletes the requirement that a health care provider, who is registered with the State Board of Pharmacy, report to the Board and the Investigation Division of the Department of Public Safety all schedule II or schedule III controlled substances prescribed to a patient in excess of a 15-day supply; 5) provides that an injured employee may receive compensation if he or she can prove by clear and convincing evidence that being intoxicated or under the influence of a controlled or prohibited substance was not the proximate cause of the employee's injury.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 232.

Bill read second time.

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

Amendment No. 307.

SUMMARY—Makes various changes relating to workers' compensation. (BDR 53-987)

AN ACT relating to workers' compensation; providing to a workers' compensation insurer, organization for managed care, third-party administrator or employer certain subrogation rights regarding certain payments made for the treatment of an injured employee; revising provisions relating to the reopening of a workers' compensation claim; revising provisions relating to a lump-sum award to an employee for a permanent partial disability; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill revises various provisions of the Nevada Industrial Insurance Act, which provides for the payment of compensation to employees who are injured or disabled as the result of an occupational injury. (Chapters 616A-616D of NRS)

Existing law provides that if an insurer, organization for managed care, third-party administrator or employer denies coverage for medical treatment or services related to an employee's injury, and the employee's health or casualty insurer pays for such treatment or services, the health or casualty insurer may seek reimbursement from the insurer, organization for managed care, third-party administrator or employer if a hearing officer or appeals officer ultimately determines that the treatment or services should have been covered by the insurer, organization for managed care, third-party administrator or employer. (NRS 616C.138) Section 1 of this bill provides a reciprocal right to reimbursement in situations in which an insurer,

organization for managed care, third-party administrator or employer appeals an order of a hearing officer, appeals officer or district court and the order is not stayed pending the appeal. In such situations, if the appeal is successful, the insurer, organization for managed care, third-party administrator or employer is entitled to seek reimbursement from the injured employee's health or casualty insurer for payments made while the appeal was pending.

Existing law provides for the reopening of a workers' compensation claim under certain circumstances and conditions. (NRS 616C.390) Under these provisions, an employee has 1 year to file an application to reopen a claim if the employee was not off work as a result of the injury and did not receive benefits for a permanent partial disability. Section 2 of this bill revises NRS 616C.390 to provide that an employee has 1 year to file an application to reopen a claim if the employee ~~(did) was not [receive benefits for either a temporary total or permanent partial disability.]~~ incapacitated from earning full wages for at least 5 consecutive days or 5 cumulative days within a 20-day period.

Existing law provides that an injured employee who suffers a permanent partial disability may elect to receive compensation for that injury in a lump sum. (NRS 616C.495) Section 3 of this bill provides that an employee who has sustained more than one permanent partial disability may not receive compensation for any portion of an injury that is based on a combined permanent partial disability rating for all the employee's injuries that exceeds 100 percent.

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

Section 1. NRS 616C.138 is hereby amended to read as follows:

616C.138 1. Except as otherwise provided in this section, if a provider of health care provides treatment or other services that an injured employee alleges are related to an industrial injury or occupational disease and an insurer, an organization for managed care, a third-party administrator or an employer who provides accident benefits for injured employees pursuant to NRS 616C.265 denies authorization or responsibility for payment for the treatment or other services, the provider of health care is entitled to be paid for the treatment or other services as follows:

(a) If the treatment or other services will be paid by a health insurer which has a contract with the provider of health care under a health benefit plan that covers the injured employee, the provider of health care is entitled to be paid the amount that is allowed for the treatment or other services under that contract.

(b) If the treatment or other services will be paid by a health insurer which does not have a contract with the provider of health care as set forth in paragraph (a) or by a casualty insurer or the injured employee, the provider of health care is entitled to be paid not more than:

(1) The amount which is allowed for the treatment or other services set forth in the schedule of fees and charges established pursuant to NRS 616C.260; or

(2) If the insurer which denied authorization or responsibility for the payment has contracted with an organization for managed care or with providers of health care pursuant to NRS 616B.527, the amount that is allowed for the treatment or other services under that contract.

2. The provisions of subsection 1:

(a) Apply only to treatment or other services provided by the provider of health care before the date on which the insurer, organization for managed care, third-party administrator or employer who provides accident benefits first denies authorization or responsibility for payments for the alleged industrial injury or occupational disease.

(b) Do not apply to a provider of health care that is a hospital as defined in NRS 439B.110. The provisions of this paragraph do not exempt the provider of health care from complying with the provisions of subsections 3 and ~~4~~ 7.

3. If:

(a) The injured employee pays for the treatment or other services or a health or casualty insurer pays for the treatment or other services on behalf of the injured employee;

(b) The injured employee requests a hearing before a hearing officer or appeals officer regarding the denial of coverage; and

(c) The hearing officer or appeals officer ultimately determines that the treatment or other services should have been covered, or the insurer, organization for managed care, third-party administrator or employer who provides accident benefits subsequently accepts responsibility for payment,
↳ the hearing officer or appeals officer shall order the insurer, organization for managed care, third-party administrator or employer who provides accident benefits to pay to the injured employee or the health or casualty insurer the amount which the injured employee or the health or casualty insurer paid that is allowed for the treatment or other services set forth in the schedule of fees and charges established pursuant to NRS 616C.260 or, if the insurer has contracted with an organization for managed care or with providers of health care pursuant to NRS 616B.527, the amount that is allowed for the treatment or other services under that contract.

4. If:

(a) *A hearing officer, appeals officer or district court issues an order or otherwise renders a decision requiring an insurer, organization for managed care, third-party administrator or employer to pay for treatment or other services provided to an injured employee;*

(b) *The insurer, organization for managed care, third-party administrator or employer appeals the order or decision, but is unable to obtain a stay of the order or decision;*

(c) Payment for the treatment or other services provided to the injured employee is made by the insurer, organization for managed care, third-party administrator or employer during the period between the date of the issuance of the order or decision and the date of the final resolution of the appeal; and

(d) The appeal is subsequently resolved in favor of the insurer, organization for managed care, third-party administrator or employer,

↳ the insurer, organization for managed care, third-party administrator or employer may recover from any health or casualty insurer of the injured employee an amount calculated pursuant to subsection 5. Any recovery from a health or casualty insurer pursuant to this subsection is subject to the exclusions and limitations of the policy of health or casualty insurance covering the injured employee that relate to the diseases set forth in NRS 617.453, 617.455 and 617.457.

5. An insurer, organization for managed care, third-party administrator or employer entitled to recover for an amount paid during the pendency of an appeal pursuant to subsection 4, may recover from a health or casualty insurer of the injured employee the lesser of:

(a) The amount actually paid by the insurer, organization for managed care, third-party administrator or employer during the period between the issuance of the order and the final resolution of the appeal;

(b) The amount established for the treatment or services provided to the injured employee pursuant to NRS 616C.260 or the usual fee charged by the provider of health care, whichever is less; ~~for~~

(c) The amount provided for the treatment or services provided to the injured employee ~~in a~~ on an in-network basis if there is a contract between the provider of health care and the health or casualty insurer of the injured employee ~~for~~ and the treatment or services are covered under the terms of the policy of health or casualty insurance covering the employee; or

(d) The amount provided for the treatment or services provided to the injured employee on an out-of-network basis pursuant to the terms of the policy of health or casualty insurance covering the injured employee if there is not a contract between the provider of health care and the health or casualty insurer of the injured employee.

6. If an insurer, organization for managed care, third-party administrator or employer is entitled to recover for an amount paid during the pendency of an appeal pursuant to subsection 4, upon a final resolution of the appeal in favor of the insurer, organization for managed care, third-party administrator or employer, the hearing officer, appeals officer or district court shall order the injured employee to provide to the insurer, organization for managed care, third-party administrator or employer:

(a) Any documentation in the possession of the injured employee related to any policy of health or casualty insurance which may have provided coverage to the injured employee for treatment or other services provided to the injured employee; and

(b) The identity and contact information of the insurer providing such health or casualty insurance.

7. If the injured employee or the health or casualty insurer paid the provider of health care any amount in excess of the amount that the provider would have been entitled to be paid pursuant to this section, the injured employee or the health or casualty insurer is entitled to recover the excess amount from the provider. Within 30 days after receiving notice of such an excess amount, the provider of health care shall reimburse the injured employee or the health or casualty insurer for the excess amount.

~~§~~ 8. As used in this section:

(a) "Casualty insurer" means any insurer or other organization providing coverage or benefits under a policy or contract of casualty insurance in the manner described in subsection 2 of NRS 681A.020.

(b) "Health benefit plan" means any type of policy, contract, agreement or plan providing health coverage or benefits in accordance with state or federal law.

(c) "Health insurer" means any insurer or other organization providing health coverage or benefits in accordance with state or federal law.

Sec. 2. NRS 616C.390 is hereby amended to read as follows:

616C.390 Except as otherwise provided in NRS 616C.392:

1. If an application to reopen a claim to increase or rearrange compensation is made in writing more than 1 year after the date on which the claim was closed, the insurer shall reopen the claim if:

(a) A change of circumstances warrants an increase or rearrangement of compensation during the life of the claimant;

(b) The primary cause of the change of circumstances is the injury for which the claim was originally made; and

(c) The application is accompanied by the certificate of a physician or a chiropractor showing a change of circumstances which would warrant an increase or rearrangement of compensation.

2. After a claim has been closed, the insurer, upon receiving an application and for good cause shown, may authorize the reopening of the claim for medical investigation only. The application must be accompanied by a written request for treatment from the physician or chiropractor treating the claimant, certifying that the treatment is indicated by a change in circumstances and is related to the industrial injury sustained by the claimant.

3. If a claimant applies for a claim to be reopened pursuant to subsection 1 or 2 and a final determination denying the reopening is issued, the claimant shall not reapply to reopen the claim until at least 1 year after the date on which the final determination is issued.

4. Except as otherwise provided in subsection 5, if an application to reopen a claim is made in writing within 1 year after the date on which the claim was closed, the insurer shall reopen the claim only if:

(a) The application is supported by medical evidence demonstrating an objective change in the medical condition of the claimant; and

(b) There is clear and convincing evidence that the primary cause of the change of circumstances is the injury for which the claim was originally made.

5. An application to reopen a claim must be made in writing within 1 year after the date on which the claim was closed if:

(a) The claimant ~~[was not off work did not receive benefits for a temporary total disability]~~ did not meet the minimum duration of incapacity as set forth in NRS 616C.400 as a result of the injury; and

(b) The claimant did not receive benefits for a permanent partial disability.

↪ If an application to reopen a claim to increase or rearrange compensation is made pursuant to this subsection, the insurer shall reopen the claim if the requirements set forth in paragraphs (a), (b) and (c) of subsection 1 are met.

6. If an employee's claim is reopened pursuant to this section, the employee is not entitled to vocational rehabilitation services or benefits for a temporary total disability if, before the claim was reopened, the employee:

(a) Retired; or

(b) Otherwise voluntarily removed himself or herself from the workforce,

↪ for reasons unrelated to the injury for which the claim was originally made.

7. One year after the date on which the claim was closed, an insurer may dispose of the file of a claim authorized to be reopened pursuant to subsection 5, unless an application to reopen the claim has been filed pursuant to that subsection.

8. An increase or rearrangement of compensation is not effective before an application for reopening a claim is made unless good cause is shown. The insurer shall, upon good cause shown, allow the cost of emergency treatment the necessity for which has been certified by a physician or a chiropractor.

9. A claim that closes pursuant to subsection 2 of NRS 616C.235 and is not appealed or is unsuccessfully appealed pursuant to the provisions of NRS 616C.305 and 616C.315 to 616C.385, inclusive, may not be reopened pursuant to this section.

10. The provisions of this section apply to any claim for which an application to reopen the claim or to increase or rearrange compensation is made pursuant to this section, regardless of the date of the injury or accident to the claimant. If a claim is reopened pursuant to this section, the amount of any compensation or benefits provided must be determined in accordance with the provisions of NRS 616C.425.

Sec. 3. NRS 616C.495 is hereby amended to read as follows:

616C.495 1. Except as otherwise provided in NRS 616C.380, an award for a permanent partial disability may be paid in a lump sum under the following conditions:

(a) A claimant injured on or after July 1, 1973, and before July 1, 1981, who incurs a disability that does not exceed 12 percent may elect to receive his or her compensation in a lump sum. A claimant injured on or after July 1, 1981, and before July 1, 1995, who incurs a disability that does not

exceed ~~{25}~~ 30 percent may elect to receive his or her compensation in a lump sum.

(b) The spouse, or in the absence of a spouse, any dependent child of a deceased claimant injured on or after July 1, 1973, who is not entitled to compensation in accordance with NRS 616C.505, is entitled to a lump sum equal to the present value of the deceased claimant's undisbursed award for a permanent partial disability.

(c) Any claimant injured on or after July 1, 1981, and before July 1, 1995, who incurs a disability that exceeds ~~{25}~~ 30 percent may elect to receive his or her compensation in a lump sum equal to the present value of an award for a disability of ~~{25}~~ 30 percent. If the claimant elects to receive compensation pursuant to this paragraph, the insurer shall pay in installments to the claimant that portion of the claimant's disability in excess of ~~{25}~~ 30 percent.

(d) Any claimant injured on or after July 1, 1995, may elect to receive his or her compensation in a lump sum in accordance with regulations adopted by the Administrator and approved by the Governor. The Administrator shall adopt regulations for determining the eligibility of such a claimant to receive all or any portion of his or her compensation in a lump sum. Such regulations may include the manner in which an award for a permanent partial disability may be paid to such a claimant in installments. Notwithstanding the provisions of NRS 233B.070, any regulation adopted pursuant to this paragraph does not become effective unless it is first approved by the Governor.

(e) If the permanent partial disability rating of a claimant seeking compensation pursuant to this section would, when combined with any previous permanent partial disability rating of the claimant that resulted in an award of benefits to the claimant, result in the claimant having a total permanent partial disability rating in excess of 100 percent, the claimant's disability rating upon which compensation is calculated must be reduced by such percentage as required to limit the total permanent partial disability rating of the claimant for all injuries to not more than 100 percent.

2. If the claimant elects to receive his or her payment for a permanent partial disability in a lump sum pursuant to subsection 1, all of the claimant's benefits for compensation terminate. The claimant's acceptance of that payment constitutes a final settlement of all factual and legal issues in the case. By so accepting the claimant waives all of his or her rights regarding the claim, including the right to appeal from the closure of the case or the percentage of his or her disability, except:

(a) The right of the claimant to:

(1) Reopen his or her claim in accordance with the provisions of NRS 616C.390; or

(2) Have his or her claim considered by his or her insurer pursuant to NRS 616C.392;

(b) Any counseling, training or other rehabilitative services provided by the insurer; and

(c) The right of the claimant to receive a benefit penalty in accordance with NRS 616D.120.

↪ The claimant, when he or she demands payment in a lump sum, must be provided with a written notice which prominently displays a statement describing the effects of accepting payment in a lump sum of an entire permanent partial disability award, any portion of such an award or any uncontested portion of such an award, and that the claimant has 20 days after the mailing or personal delivery of the notice within which to retract or reaffirm the demand, before payment may be made and the claimant's election becomes final.

3. Any lump-sum payment which has been paid on a claim incurred on or after July 1, 1973, must be supplemented if necessary to conform to the provisions of this section.

4. Except as otherwise provided in this subsection, the total lump-sum payment for disablement must not be less than one-half the product of the average monthly wage multiplied by the percentage of disability. If the claimant received compensation in installment payments for his or her permanent partial disability before electing to receive payment for that disability in a lump sum, the lump-sum payment must be calculated for the remaining payment of compensation.

5. The lump sum payable must be equal to the present value of the compensation awarded, less any advance payment or lump sum previously paid. The present value must be calculated using monthly payments in the amounts prescribed in subsection 7 of NRS 616C.490 and actuarial annuity tables adopted by the Division. The tables must be reviewed annually by a consulting actuary.

6. If a claimant would receive more money by electing to receive compensation in a lump sum than the claimant would if he or she receives installment payments, the claimant may elect to receive the lump-sum payment.

Sec. 4. This act becomes effective upon passage and approval for the purposes of adopting any regulations or performing any preparatory administrative tasks that are necessary to carry out the provisions of this act, and on January 1, 2016, for all other purposes.

Senator Settlemeyer moved the adoption of the amendment.

Remarks by Senator Settlemeyer.

Amendment No. 307 makes two changes to Senate Bill No. 232: 1) includes that a workers' compensation insurer, organization for managed care, third-party administrator, or employer entitled to recover for an amount paid during the pending of an appeal, when there is no contract between a health or casualty insurer of the injured employee, then the amount provided for the treatment of services given to the injured employee on an out-of-network basis under the terms of the employee's health or casualty's insurer's plan. Any requirement for payment under this section of the bill is subject to the exclusions and limitations of the employee's health or casualty insurer's plan pertaining to certain illnesses and injuries outlined in *Nevada Revised Statutes*; and 2) clarifies that an employee has one year to file an application to reopen a claim if the employee did not meet the minimum duration of incapacity.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No 377.

Bill read second time and ordered to third reading.

Senate Bill No. 393.

Bill read second time.

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

Amendment No. 303.

SUMMARY—Revises provisions related to Oriental medicine. (BDR 54-864)

AN ACT relating to Oriental medicine; exempting certain acupuncturists from the provisions of state law governing the practice of Oriental medicine; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the State Board of Oriental Medicine and authorizes the Board to license and adopt regulations governing practitioners of Oriental medicine, including acupuncturists. (Chapter 634A of NRS) This bill exempts from these requirements an acupuncturist: (1) who is employed by a school of Oriental medicine that is located in this State and that has received at least candidacy status for institutional accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine or its successor organization; (2) who is licensed in another state or jurisdiction; and (3) whose practice of acupuncture in this State is limited to teaching, supervising or demonstrating the methods and practice of acupuncture in a clinical setting ~~;~~ and does not involve the acceptance of payment from any patient for services relating to his or her practice of acupuncture.

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

Section 1. NRS 634A.200 is hereby amended to read as follows:

634A.200 1. This chapter does not apply to Oriental physicians who are called into this State for consultation.

2. *This chapter does not apply to a practitioner of acupuncture:*

(a) *Who is employed by an accredited school of Oriental medicine located in this State;*

(b) *Who is licensed to practice acupuncture in another state or jurisdiction; and*

(c) *Whose practice of acupuncture in this State* ~~is~~ *:*

(1) Is limited to teaching, supervising or demonstrating the methods and practices of acupuncture to students in a clinical setting ~~;~~ ; and

(2) Does not involve the acceptance of payment from any patient for services relating to his or her practice of acupuncture.

3. This chapter does not prohibit:

(a) Gratuitous services of druggists or other persons in cases of emergency.

(b) The domestic administration of family remedies.

(c) Any person from assisting any person in the practice of the healing arts licensed under this chapter, except that such person may not insert needles into the skin or prescribe herbal medicine.

4. *For the purposes of this section, "accredited school of Oriental medicine" means a school that has received at least candidacy status for institutional accreditation from the Accreditation Commission for Acupuncture and Oriental Medicine, or its successor organization.*

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

Senator Settelmeyer moved the adoption of the amendment.

Remarks by Senator Settelmeyer.

Amendment No. 303 to Senate Bill No. 393 clarifies that an acupuncturist whose practice is limited to teaching, supervising or demonstrative methods and practices of acupuncture to students in a clinical setting is not able to receive payment for that role.

Amendment adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 448.

Bill read second time and ordered to third reading.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Kieckhefer moved that Senate Bill No. 227 be re-referred to the Committee on Finance, upon return from reprint.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 311.

Bill read third time.

Remarks by Senator Kieckhefer.

Senate Bill No. 311 authorizes the board of directors of an irrigation district that has entered into a contract with the United States for the purpose of complying with the Reclamation Safety of Dams Act of 1978 to incur an indebtedness not exceeding in the aggregate the sum of \$6 million. This bill also provides that for the purpose of calculating assessments to pay the indebtedness of the district, fractional acres may be rounded up to the nearest whole acre. This measure is effective upon passage and approval.

Roll call on Senate Bill No. 311:

YEAS—21.

NAYS—None.

Senate Bill No. 311 having received a two-thirds majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 318.

Bill read third time.

Remarks by Senator Kieckhefer.

Senate Bill No. 318 authorizes a board of county commissioners of a county whose population is less than 700,000 to consolidate two or more fire protection districts if: 1) each district is contiguous to at least one other district; 2) the territory of each district is located entirely within the county; and 3) the rates of certain taxes relating to fire protection levied by the board of county commissioners within each district are equal at the time of consolidation.

The consolidation may be initiated by the filing of a petition with the board of county commissioners by a majority of the owners of property within each such district or the adoption of a resolution by the board of county commissioners proposing the consolidation of the districts. This measure is effective on July 1, 2015.

Roll call on Senate Bill No. 318:

YEAS—21.

NAYS—None.

Senate Bill No. 318 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 402.

Bill read third time.

Remarks by Senator Denis.

Senate Bill No. 402 defines the term "obesity" in the preliminary chapter of *Nevada Revised Statutes* as a chronic disease having certain characteristics. The measure defines the term "obesity" as it is used in provisions of existing law related to benefits of breast-feeding, mandating training for child care providers and mandating public information and prevention programs of the Division of Public and Behavioral Health, Department of Health and Human Services. Finally, the Division is required to prepare a report on obesity statistics in Nevada and efforts to reduce obesity for submittal to the Legislative Counsel Bureau on or before March 15 of each year. This measure is effective on July 1, 2015.

Roll call on Senate Bill No. 402:

YEAS—20.

NAYS—Hammond.

Senate Bill No. 402 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 418.

Bill read third time.

Remarks by Senator Lipparelli.

Senate Bill No. 418 revises refund provisions affecting private postsecondary educational institutions, to allow an institution to retain the lesser of \$150 or 10 percent of the agreed-upon tuition from a student who cancels his or her enrollment before classes begin. It further authorizes such an institution that is accredited by a regional accrediting agency recognized by the United States Department of Education to additionally retain any funds deposited by the applicant to secure a position in a program that are clearly disclosed to the applicant as nonrefundable. This bill also increases from \$100 to \$150 the maximum amount that an institution may retain, in addition to the pro rata amount of tuition, when a student withdraws or is expelled by the institution after the start of the training program but before completing 60 percent of the program. This bill is effective on July 1, 2015.

Roll call on Senate Bill No. 418:

YEAS—21.

NAYS—None.

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

Bill ordered transmitted to the Assembly.

Senate Bill No. 458.

Bill read third time.

Remarks by Senators Hardy and Kieckhefer.

SENATOR HARDY:

Senate Bill No. 458 provides specific language, which must be used to notify a patient, who has undergone mammography, of the relationship between breast density, breast cancer and the impact of breast density on the effectiveness of mammography. This measure is effective on July 1, 2015. I will read what will be sent under the bill.

Your mammogram shows that your breast tissue is dense. Dense breast tissue is common and is not abnormal. However, dense breast tissue can make it harder to evaluate the results of your mammogram and may also be associated with a modestly increased risk of breast cancer. This information about the results of your mammogram is given to you to raise your awareness and to inform your conversations with your physician. Together, you can decide which screening options are right for you. A report of your results was sent to your physician. This is what is happening at this time, under regulation.

Early detection of cancer is important. Although mammography is one of the most accurate methods for early detection, not all cancers are found through mammography. Diagnosis by mammography may be limited by factors including, but not limited to, prior surgery, breast implants and breasts density. Dense breast tissue is relatively common and is found in 40 percent of women. The presence of dense tissue makes it more difficult to detect cancer in the breast and may be associated with an increased risk of breast cancer. We are providing this information to raise your awareness of this important factor and to encourage you to discuss dense breast tissue and other breast cancer risk factors with your health care providers. Together, you can decide the appropriate schedule for your personal mammograms and whether any additional screenings should be considered because of your breast density or other breast cancer risk factors. Early detection of cancer is important and far outweighs any risk associated with a radiographic procedure. A report of your mammography results was sent to your physician.

In essence, if we do not pass the bill as outlined, we are going to tell people they have the word cancer in the report seven times. The fear and anxiety when this comes to a woman who has a mammogram and may not or probably does not have breast cancer—it is hard to get past the word cancer. I urge your passage of this bill.

SENATOR KIECKHEFER:

I rise in a mea culpa. I have notified my Committee Chair that I am going to change my vote on the Floor. We originally passed this bill requiring this notification requirement two years ago, and I think there was some uncertainty about how it was going to be implemented and the regulatory process it was going to entail. Since that time, my colleague read the notice that has been published, and I have heard some first-hand stories that it is not the type of notice people like to receive in the mail. I am going to change my vote on the Floor and vote in the affirmative, and I encourage you to do the same.

Roll call on Senate Bill No. 458:

YEAS—21.

NAYS—None.

Senate Bill No. 458 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 473.

Bill read third time.

Remarks by Senator Parks.

Senate Bill No. 473 requires State agencies to notify the Office of Grant Procurement, Coordination and Management, Department of Administration, of the amount of any portion of a grant received by the State agency that it does not expect to expend fully within the time allowed by the grant. The Office is required to serve as a clearinghouse for disseminating information relating to unexpended grant money of State agencies by: 1) compiling and updating periodically a list of the grants and unexpended amounts thereof; and 2) making the list available on the Internet website maintained by the Department. This measure is effective on July 1, 2015.

Roll call on Senate Bill No. 473:

YEAS—21.

NAYS—None.

Senate Bill No. 473 having received a constitutional majority, Mr. President declared it passed.

Bill ordered transmitted to the Assembly.

Senate Bill No. 480.

Bill read third time.

Remarks by Senator Lipparelli.

Senate Bill No. 480 revises the membership of a county fair and recreation board in any county whose population is 100,000 or more and less than 700,000 by decreasing the membership from 13 to 9 members. Further, the three existing members motel operators, banking or other financial interests, and business or commercial interests are replaced by one member who is a representative of commercial or noncommercial interests relating to tourism or the resort hotel business and who is selected from a list of nominees submitted by the chamber of commerce of the largest incorporated city in the county. The measure requires that the chair of the board be elected from among the three members appointed by the board of county commissioners and the governing bodies of the two largest incorporated cities in the county, respectively.

The measure is effective upon passage and approval for the purpose of allowing the terms of certain members to expire on June 30, 2015, and to provide for the selection of the member who is a representative of commercial or noncommercial interests relating to tourism or the resort hotel business on or after July 1, 2015. For all other purposes, the measure is effective on July 1, 2015.

Roll call on Senate Bill No. 480:

YEAS—21.

NAYS—None.

Senate Bill No. 480 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 177.

Bill read third time.

Remarks by Senator Hardy.

Senate Bill No. 177 authorizes a patient, a legal representative of a patient who is incompetent or a parent or guardian of a patient who is a minor to designate a caregiver for the patient upon an inpatient admission of the patient to a hospital. In addition, the measure authorizes the designation of another caregiver if the person originally designated is unable or unwilling to perform his or her duties. A person is under no obligation to a patient solely because the person has been designated as a caregiver for the patient.

A hospital is required to provide the opportunity to designate a caregiver for the patient to: 1) a patient who is admitted to the hospital as an inpatient; 2) a legal representative of such a patient who is incompetent; or 3) a parent or guardian of such a patient who is a minor. A hospital is also required to provide a patient who was unconscious or otherwise incompetent upon admission but regains competence while an inpatient at the hospital with an opportunity to designate a caregiver. The hospital must record the designation of a caregiver or declination to do so in the medical record of the patient.

If a patient has a designated caregiver, a hospital is required to request the written consent of the patient, the representative of the patient or the parent or guardian of the patient, as applicable, to release medical information to the caregiver if such consent is required by federal or State law. If a patient provides such consent, a hospital must attempt to notify the caregiver of the planned discharge or transfer of the patient and attempt to provide the caregiver with certain information and training concerning aftercare for the patient. A hospital is authorized to proceed with the planned discharge or transfer of the patient if the hospital is not successful in providing this notification, information and training to the caregiver. In addition, the measure specifies that a hospital is not liable for aftercare provided either improperly or not at all by the caregiver. The effective date is October 1, 2015.

Roll call on Senate Bill No. 177:

YEAS—21.

NAYS—None.

Senate Bill No. 177 having received a constitutional majority,
Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

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

Senate in recess at 6:01 p.m.

SENATE IN SESSION

At 6:03 p.m.

President Hutchison presiding.

Quorum present.

REMARKS FROM THE FLOOR

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

SENATOR DENIS:

Many of you know, my public service started as a library trustee many years ago. Next year, the Nevada Library Association will celebrate its 70th birthday, and today, more than 50 of its members were here to remind elected officials of some important facts about Nevada libraries. In Nevada, we have 102 public libraries that served 2.7 million Nevadans last year. More than 1.3 million Nevadans are registered public library users.

What you may not realize is that today's library experience is much more than checking out a book. Literacy is no longer just about picking up a book. Digital literacy plays an enormous part

in access information in the 21st century. At Nevada libraries, computer classes are packed with people of every age working to learn about everything from using a mouse to learning to email to engaging in social media to stay connected. Basic computing also includes every age learning with things like Word, Excel and saving digital information safely. Science, technology, engineering, arts and math—STEAM skills—are built into library programs to introduce patrons of all ages to the kinds of marketable skills required in the 21st century. People connect and come together to grow individually and in groups.

Libraries have done a lot for us over the years. I remember, as a library trustee, going to a hearing where I was videoconferencing from Las Vegas. I remember one of the Legislators making the comment that, "I don't know why we need to spend money on libraries because we are all going to have the internet in the future so we won't even need books." That was probably 15 or 20 years ago. Libraries provide a lot more than that. They provide order to the internet. You can get anything on the internet, but libraries go through and do a lot of things to help make sense of it. They provide a lot of services. I am grateful for libraries, not only for my personal life, but that they allowed me to take my kids to get books. They are all great readers because they had the opportunity to go to the library when they were young. Please give all of the librarians who visited, today, a big round of applause for the work that they do.

SENATOR FORD:

I would like to inquire why Senate Bill No. 359 was sent to the Secretary's desk? I understand there may have been some concerns, and I am interested in knowing what those concerns were about that particular bill.

SENATOR HARDY:

Some of the concerns are what is the interaction between what the government does already for people who are in the military in regards to their child care situation that may come as a short notice or long term when they are trying to get their children taken care of with the military interaction versus the private system, and how those two things interact. As I talked with the sponsor of the bill, today, I told her my people had concerns and would talk with her individually.

SENATOR FORD:

Obviously, S.B. No. 359 offers some important benefits for our military families. We would hope we act in all due haste to get these questions asked and answered so we can proceed with this as early as tomorrow.

GUESTS EXTENDED PRIVILEGE OF SENATE FLOOR

On request of Senator Denis, the privilege of the floor of the Senate Chamber for this day was extended to Sena Loyd.

On request of Senator Kihuen, the privilege of the floor of the Senate Chamber for this day was extended to Tammy Westergard.

Senator Roberson moved that the Senate adjourn until Tuesday, April 14, 2015, at 11:00 a.m.

Motion carried.

Senate adjourned at 6:11 p.m.

Approved:

MARK A. HUTCHISON
President of the Senate

Attest: CLAIRE J. CLIFT

Secretary of the Senate