

# LEGISLATIVE REPORT

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## NOTES:

- Page sequence continues from last issue.
- Unless otherwise identified, the effective default date is October 1, 2011
- For the purpose of this report, the “fiscal effect: shown is taken from the “Fiscal Note” which can be found on the Legislative website.
- To access bills go to [www.leg.state.nv.us](http://www.leg.state.nv.us) - “session information.”

## BUSINESS ISSUES

### **AB 550 - State Ports of Entry**

Introduced by Assembly Committee on Ways and Means and referred to same. (BDR 35-892)

Fiscal Effect: None shown for the State as there is currently no money by which to build and operate ports, therefore there is no cost. See NTA Comment below.

Requires the Nevada Department of Transportation to provide, by regulation and as funds are available, for the creation and operation of state ports of entry to inspect drivers, vehicles and loads for state and federal compliance.

Effective: Upon passage and approval and July 1, 2011.

**NTA Comment:** There are only 4-5 states left that use ports of entry. In 2007, NDOT determined it would cost \$245.5 million to build, operate and maintain ports of entry and estimated second year net (after revenue/fee collection) losses of \$28.2 million per biennia after the second year.

### **AB 564 - Meeting Compliance**

Introduced by Assembly Committee on Ways and Means ; referred to Assembly Committee on Judiciary. (BDR 7-891)

Authorizes Secretary of State to adopt regulations interpreting business terms to allow use of current technology for compliance, e.g., videoconferencing. Operating agreements of limited liability companies are not required to be in writing, agreement by members to adopt such an agreement may be in tangible or electronic format, and the Secretary of State is authorized to create a model agreement for use by limited-liability companies.

Effective: Upon passage and approval for adopting regulations and October 1, 2011 for all other purposes.

### **SB 395 - Technology Commercialization Plan**

Introduced by Senate Committee on Government Affairs; referred to Senate Select Committee on Economic Growth and Employment. (BDR 7-528)

Fiscal Effect: Yes, on State.

Creates the 9-member Nevada Research and Business Alliance to be funded by grants, gifts and special obligation revenue bonds and other securities issued by the Department of Finance and deposited equally in newly created enterprise funds known as Research and Business Fund and the Innovation Fund. The Alliance will make grants or loans from the Research and Business Fund to NSHE to support research and development efforts and from the Innovation Fund to local government entities to support technology, commercialization, and research by private businesses and publicly owned infrastructure to support research activities. Administrative support for the Alliance will be provided by the Commission on Economic Development.

Effective: Upon passage and approval.

### **SB 405 - Corporate Compliance**

Introduced by Senate Committee on Judiciary and referred to same. (BDR 7-528)

Fiscal Effect: Yes, on State.

Revises various provisions governing corporate records, meeting notices, electronic records and notices, stockholder actions and rights, and other matters. Clarifies that an IRS-approved 501(c) nonprofit organization does not need a Nevada business license.

**NTA Comment:** This bill makes extensive changes, the majority of which are to NRS 82.

**SB 440 - Health Insurance Exchange**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance; referred to Senate Committee on Commerce, Labor and Energy. (BDR 57-1172)

Fiscal Effect: Yes, on State.

Creates the Silver State Health Insurance Exchange to create and administer a state-based health insurance exchange and perform other duties required by the federal Patient Protection and Affordable Care Act and Health Care and Education Reconciliation Act of 2010. The Exchange Board of Directors will include 7 appointed voting members plus representatives of the Departments of Health and Human Services, Business and Industry and Administration.

Effective: Upon passage and approval for appointing voting members of the Board and July 1, 2011 for all other purposes.

**PUBLIC EMPLOYEE COMPENSATION****AB 489 - Travel Expenses**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 16-1206)

Employees of the Department of Corrections or the Division of Forestry hired after July 1, 2011 are not eligible to receive compensation for travel expense if they live more than 25 miles from their assigned facility.

Effective: July 1, 2011.

**AB 553 - Public Employees Benefits Program: Part-Time Subsidies**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 23-1222)

Sets formulas for PEBP premium payments for part time employees who work more than half time. Establishes that state employees hired after July 1, 2011 are not eligible for PEBP subsidies upon retirement and limits the subsidy available to employees hired before July 1, 2011 that retire after July 1, 2012. Makes no changes to subsidies for persons who retired before July 1, 2012.

Effective: July 1, 2011.

**NTA Comment:** This reflects SAGE Commission Recommendation #14.

**AB 556 - Public Employee Benefits Program**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance; referred to same. (BDR 23-1158)

Redirects deposits from state agencies of monthly assessments for coverage to the new Active Employee Group Insurance Subsidy Account within the Agency Fund for the Payroll of the State. Money will then be periodically transferred to the Fund for the Public Employees Benefits Program based on actual costs for that period.

Effective: July 1, 2011.

**AB 560 - Employee Leave and Compensation**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 23-1158)

Reduces the rate of accumulation for annual and sick leave effective July 1, 2012. Eliminates premium pay for holiday work, unless the employee is entitled to overtime pay. Limits the option of purchasing credit for service to employees hired before July 1, 2011. Continues suspension of longevity and merit pay through June 30, 2013.

Effective: July 1, 2011 and July 1, 2012.

**AB 562 - Public Employee Benefits Program**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 23-1187)

To be eligible for health benefit subsidies paid by the State after retirement, State employees hired on or after January 1, 2010 must have at least 15 years of service and have participated in the health program continuously since retirement. Adjusts the subsidy formula for existing retirees according to Medicare coverage.

Effective: July 1, 2011.

**AB 563 - Public Employee Benefits Program Premiums**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR S-1223)

Fiscal Effect: Yes, State Executive Budget. May have impact on local government.

The State share of premiums for active employees in PEBP for Fiscal 2011-2012 is \$644.81 per month; for Fiscal 2012-2013 is \$733.64 per month. For retired employees, the base amount of the State's share is \$418.41 per month for Fiscal 2011-2012; and \$472.64 per month for Fiscal 2012-2013. For State employees hired on or after January 1, 2010, no supplements will be paid by the State Retirees' Health and Welfare Benefits Fund unless the employee has at least 15 years of service upon retirement and has participated continuously in the Program since retirement.

Effective: July 1, 2011.

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**EDUCATION**

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**AB 456 - High School Attendance; Minor Work Hours**

Introduced by Assembly Committee on Education and referred to same. (BDR 34-1140)

Fiscal Effect: Yes, on State.

Amends requirements for obtaining a high school diploma and addresses habitual truancy solutions. Reduces allowable work hours for 16 to 18 year olds to 20 hours per week during school sessions and 48 hours per week when school is not in session.

Effective: July 1, 2011.

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**AB 469 - School District Contracts; Local Government Contracts; State Properties**

Introduced by Assembly Committee on Government Affairs and referred to same. (BDR 27-678)

Fiscal Effect: Yes, on State.

Requires school districts to advertise for bids on custodial services, maintenance and transportation at least every 5 years and report annually to the Legislature or Interim Finance Committee on bids received, contracts awarded or reasons contracts were not awarded. Authorizes local governments to partner on purchasing agreements and to consider bids based on factors beyond lowest price, such as delivery schedule and product quality. Requires each state entity to submit to the Chief of Buildings and Grounds an inventory of unused state properties so they can be made available through the Commission on Economic Development or can be let to other businesses by the State.

Effective: July 1, 2011.

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**AB 478 - UNR Bond Authorization**

Introduced by Assembly Committee on Ways and Means and referred to same. (BDR S-887)

Raises the level of authorization for the NSHE Board of Regents to issue bonds and securities to finance projects at UNR from \$312,695,000 to \$348,430,000. UNLV's authorization remains the same at \$422,155,000.

Effective: July 1, 2011.

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**AB 493 - Minimum Expenditures for Schools**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR S-1179)

Extends to June 30, 2013 the waiver of minimum required expenditures on books, supplies, equipment, etc. for school districts, charter schools and university schools for the profoundly gifted.

Effective: Upon passage and approval.

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**AB 498 - Norm-Referenced Examinations Eliminated**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 34-1174)

Eliminates the statutory requirement for administering norm-referenced exams to grade 4, 7 and 10 pupils for State and national comparison. This requirement was suspended by the 2009 Legislature.

Effective: Upon passage and approval.

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**AB 546 - Early Childhood Care and Education**

Introduced by Assembly Committee on Education and referred to same. (BDR 38-739)

Fiscal Effect: Yes, on State.

Statutorily creates the Nevada Early Childhood Advisory Council to oversee training, standards and oversight for persons employed in early childhood care. The Council, created by Executive Order in September, 2011, will now answer to and be appointed by the Director of Department of Health and Human Services.

Effective: Upon passage and approval and October 1, 2011.

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**AB 547 - School Wellness Policy**

Introduced by Assembly Committee on Education and referred to same. (BDR 34-188)

Fiscal Effect: Yes, on State. May have impact on local government.

Requires Department of Education, in consultation with the Health Division of Department of Health and Human Services, to develop a statewide school wellness policy that complies with federal criteria and to evaluate the effectiveness of its implementation by school districts for two years.

Effective: July 1, 2011.

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**AB 548 - State Board of Education**

Introduced by Assembly Committee on Education and referred to same. (BDR 34-741)

Fiscal Effect: Yes, on State.

Effective January 1, 2013, replaces the 10-member elected State Board of Education with a 12-member Board as follows: 9 Governor-appointed voting members, the Superintendent of Public Instruction and NSHE Chancellor, or his designee, as ex-officio nonvoting members; a public school pupil as a non-voting member. The Superintendent of Public Instruction is to be appointed by the Governor, rather than the Board, is in the Executive Branch and is responsible for overseeing a number of commissions, councils and programs. The P-16 Advisory Council is eliminated effective June 30, 2011.

Effective: Upon passage and approval and various dates.

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**NTA Comment:** *Also see SB 70 on page 14 of NTA Legislative Report 2-11 under "Education" heading.*

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**AB 551 - School District Consolidation**

Introduced by Assembly Committee on Ways and Means and referred to Assembly Committee on Education. (BDR 34-877)

Fiscal Effect: Yes, on State. May have impact on local government.

Requires school districts to evaluate the feasibility of consolidating with other districts and authorizes the districts to develop methods and enter contracts for sharing services, personnel or functions. The Committee on Local Government Finance is to adopt regulations to assist boards of trustees with this process.

Effective: Upon passage and approval and July 1, 2011.

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**AB 554 - School District Report Cards**

On behalf of the Governor, introduced by Assembly Committee on Ways and Means; referred to Assembly Committee on Education. (BDR 34-953)

Fiscal Effect:-The Department of Education estimates a cost of \$181,396 to implement these provisions over the biennium. Of school districts responding, examples of biennium cost estimates are Washoe County at \$11,779,700 and White Pine County at \$289,480.

Requires the Department of Education to create an evaluation and rating system for school districts and to issue an annual "report card" for each school and district. Requires school districts to allow parents to enroll children in schools outside their attendance zone but within the district. Requires 3<sup>rd</sup> grade students in public and charter schools who do not achieve proficiency in reading to be held back and provides for other related matters.

Effective: July 1, 2011 and July 1, 2012.

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**AB 555 - Teacher Evaluations and Tenure**

On behalf of the Governor, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 34-594)

Fiscal Effect: Yes, on State.

Changes performance ratings for teachers and administrators to "highly effective, effective, minimally effective, or

*continued*

AB 555 - Teacher Evaluations and Tenure, Continued

ineffective” and requires 50 percent of performance reviews be based on student achievement. Licensed employees must be evaluated at least 3 times per year for the first three years and at least once a year thereafter. Eliminates probationary and post-probationary status and tenure and institutes a 1-year contract system. Requires that any reduction in force be based on teacher effectiveness instead of seniority, regardless of any collective bargaining provisions.

Effective: July 1, 2011 and July 1, 2012.

**AB 558 - Block Grants for K-12 Education**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 34-1159)

Fiscal Effect: Yes, on State.

Establishes, in the Account for Programs for Innovation and the Prevention of Remediation, a categorical block grant program for K-12 education using state appropriations previously distributed by the Commission on Educational Excellence, beginning with the 2012-13 school year. School districts will submit comprehensive plans for use of block grant funds to the Department of Education for consideration. Plans may include class size reduction, full day kindergarten, teacher incentive pay, and other programs. Prescribed teacher-pupil ratios are now required only if a school district chooses to request block grant funds to comply. The Grant Fund for Incentives for Licensed Education Personnel is eliminated and districts have the option of using block grant funds for this purpose.

Effective: July 1, 2011 and July 1, 2012.

**AJR 8 - School Vouchers**

On behalf of the Governor, introduced by Assembly Committee on Ways and Means and referred to Assembly Committee on Education. (BDR C-952)

Proposes to amend Section 2 and Section 10 of Article 11 of the Nevada Constitution to allow school vouchers and to allow those vouchers to be used at any private school, regardless of any sectarian affiliation of an institution.

*Section 2. 2. The legislature shall provide by law for a tuition assistance program to assist the parent or legal guardian of a child in any grade from kindergarten through grade 12, who would otherwise attend a public school, to pay tuition for the child to attend a private school chosen by the parent or legal guardian. The amount of such assistance must be based upon the amount of funding that the school district would otherwise receive for the pupil from state and local sources. Each parent or legal guardian is entitled to receive at least one-half of that amount as tuition assistance and is eligible to receive all or a portion of the remaining one-half of the tuition assistance based solely on financial need.*

*Section 10. 2. The payment of public funds, in accordance with the program established by the legislature pursuant to Section 2 of Article 11 of this Constitution, shall not be deemed to be used for a sectarian purpose, notwithstanding that the parent or legal guardian may choose a school affiliated with a sectarian institution.*

**SB 434 - NSHE Stabilization Account**

Introduced by Senate Committee on Finance and referred to same. (BDR 31-1175)

Establishes the Nevada System of Higher Education (NSHE) Stabilization Account within the Fund to Stabilize the Operation of State Government to receive reversions. Requires a separate budget to be submitted for expenditures of tuition and fees. Allows NSHE to retain unexpended appropriations unless needed to maintain the balance in the NSHE Stabilization Account. Allocates a portion of any ad valorem tax as well as 4 cents per \$100 of property taxes in Washoe and Clark counties to NSHE for the next two fiscal years. Allows NSHE to bypass the Public Works Board for capital improvements. Requires the Board of Regents to develop standard measurements and prepare annual reports on preparation of K-12 students for higher education.

**NTA Position: Amend.** Delete the provisions for the NSHE Stabilization Account. Unlike the proposals for a K-12 Stabilization Account, which utilizes funding from revenue sources dedicated to K-12, the funds proposed for NSHE Rainy Day Account are from the State’s General Fund. Removing general fund revenue for a purpose outside the general fund restricts the ability of the Legislature to determine how to best utilize general fund revenues.

**SB 451 - NSHE Tuition and Fees**

Introduced by Senate Committee on Finance and referred to Senate Committee on Education. (BDR 34-933)

Fiscal Effect: Yes, on State. May have impact on local government.

*Continued*

*SB 451 - NSHE Tuition and Fees, Continued*

Provides that any tuition charge, registration fee or other charge assessed against a student must be retained by the university, state college or community college at which the student is enrolled and used to support academic programs, services, activities, uses which advance the educational needs and goals at that institution. The Board of Regents is required to submit an annual report to the Legislative Counsel Bureau, for review by the Legislature or Legislative Commission, detailing: 1) allocation of money collected from tuition, fees and charges to each academic program; 2) progress in advancing the educational goals of the institution; 3) whether the expenditure of money collected aligns with goals of the Commission on Economic Development, regional economic development authority or local redevelopment agency; and 4) the number of students entering each academic program or major and number of certificates and degrees awarded by each.

Effective: July 1, 2011.

**NTA Comment:** Also see the companion legislation, SB 449, on page 98 of NTA Legislative Report, Issue 12-11 under "Fees" heading.

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**LOCAL GOVERNMENT**

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**AB 467 - Centralized Business Licensing**

Introduced by Assembly Committee on Government Affairs and referred to same. (BDR 20-133)

Fiscal Effect: May have impact on local government.

Requires the board of county commissioners in each county to establish a centralized licensing office where a person may apply for and obtain a business license and other permit required by the county, city, or town in which the business will operate. The office must meet standards and requirements to participate in the state business portal. The board of county commissioners may request the local entity to contribute money from the proceeds of license taxes toward defraying a portion of the costs of operating and maintaining the office. Requires certain counties to standardize, to the extent practicable, zoning regulations and controls for all entities within the county.

**NTA Comment:** Also see SB 110 on page 24, NTA Legislative Report 3-11 under "Local Government" heading.

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**AB 468 - Redevelopment Agency Advisory Boards**

Introduced by Assembly Committee on Government Affairs and referred to same. (BDR 22-1118)

Requires each redevelopment agency to establish a citizens' advisory board for the purpose of reviewing any project over \$100,000 in the redevelopment area. Provides a set aside of the increment that must be used to increase, improve and preserve the number of low-income units and educational facilities within the district.

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**AB 469 - School District Contracts; Local Government Contracts; State Properties**

See page 102 of this issue, under "Education" heading.

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**AB 545 - Population Classifications**

On behalf of the Legislative Counsel, introduced by Assembly Committee on Government Affairs and referred to same. (BDR 20-548)

Updates the population classifications used for local governments throughout statute. For example, Clark County now falls into the "counties: 700,000 or more" category and Washoe in the "more than 100,000 and less than 700,000."

Effective: July 1, 2011.

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**SB 392 - Nevada Advisory Committee on Intergovernmental Relations (ACIR)**

On Behalf of the Legislative Commission's Committee to Study Powers Delegated to Local Governments, introduced by Committee on Government Affairs and referred to same. (BDR 19-169)

Fiscal Effect: On Legislative Counsel Bureau: \$7,782 over the 2011-2013 biennium.

Creates the Nevada ACIR as a statutory committee and establishes the membership of the committee and the powers and duties of the committee, which are substantially similar to the interim committee of this biennium. Requires a report to be submitted to the Legislative Counsel Bureau setting forth the findings of the committee and an opinion as to whether-or-not the committee should continue to exist.

Effective July 1, 2011. Expires by limitation on June 30, 2015

**NTA Comment:** This bill is similar to SB 264 of the 2009 legislative session, which created an interim Nevada ACIR, with comparable duties.

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**SB 393 - Annexation of Property in Clark County by an Unincorporated Town**

Introduced by the Committee on Government Affairs and referred to same. (BDR 20-228)

Extends the same provisions governing the annexation of county property by a city, to unincorporated towns. Provides that the newly annexed area is subject to municipal taxes the fiscal year following the date of annexation.

Effective: July 1, 2011.

**SB 422 - Payment of Services Offered by Aging and Disability Services**

On behalf on the Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 15-1169)

Fiscal Effect: Does have a fiscal impact on local government, which ranges from \$1.8 million in Clark County, to \$320,000 in Carson City to \$5,000 in Eureka over the biennium and for future biennia.

Requires that any county that uses any service provided by the Aging and Disability Services Division of Health and Human Resources must be paid for by the county.

**NTA Comment:** This bill contains an unfunded mandate to local government and contains the “cop-out” language: *The provisions of NRS 354.599 do not apply to any additional expenses of a government that are not related to this act.*

**SB 432 - Financial Administration by Regional Transportation Commissions (Clark and Washoe Counties) and Southern Nevada Water Authority**

Introduced by the Senate Committee on Finance and referred to the Senate Committee on Revenue. (BDR 32-538)

Fiscal Effect: Clark and Washoe counties are unable to determine if there will be a fiscal impact.

Allows the Clark and Washoe County RTCs to issue special obligation bonds or other securities in their name, if there is an interlocal agreement with the county. Removes the expiration date on the 1/4 cent sales tax utilized by the Southern Nevada Water Authority (SNWA) for the “third straw.” Also extends the duration of time for which the general obligations bonds may be issued from 30 to 40 years.

Effective: July 1, 2011

**NTA Comment:** The 1/4 percent sales tax approved for use by SNWA was to expire when the total sum of tax collected exceeded \$2.3 billion or June 30, 2025, whichever occurs earlier.

**SB 422 - Payment of Services for Presentence or General Investigations**

On behalf on the Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 14-1202)

Requires payment to the Department of Parole and Probation for any presentence or general investigation and report made by the Division, from the county in which an indictment was found or information filed.

Effective: July 1, 2011

**NTA Comment:** This bill contains an unfunded mandate to local government and contains the “cop-out” language: *The provisions of NRS 354.599 do not apply to any additional expenses of a government that are not related to this act.*

**STATE GOVERNMENT**
**AB 469 - School District Contracts; Local Government Contracts; State Properties**

*See page 102 of this issue, under “Education” heading.*

**AB 474 - Sunset Subcommittee of Legislative Commission**

Introduced by Assembly Committee on Ways and Means and referred to Concurrent Committees on Government Affairs and Ways and Means. (BDR 18-889)

Fiscal Effect: Yes, on State.

Creates the 9-member Sunset Subcommittee of the Legislative Commission to review all boards and commissions that are neither Constitutional nor created by Executive Order and recommend changes, modifications or eliminations. In addition, the Subcommittee will determine whether tax exemptions, abatements or money set aside for a board or commission should be terminated, modified or continued, and will make recommendations for direct legislation actions based on its findings.

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***AB 474 - Sunset Subcommittee of Legislative Commission, Continued***

The Subcommittee will include 3 members each appointed by the Majority Leader and Speaker of the Assembly and 3 members of the public appointed by the Chair of the Legislative Commission.

Effective: July 1, 2011.

**NTA Comment:** Also see AB 406 on page 85 of NTA Legislative Report 10-11 under “State Government” heading and SB 251 on page 63 of NTA Legislative Report 8-11 under “State Government” heading.

**NTA Position: Support.** This is similar to SAGE Commission Recommendation #17.

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**AB 479 - Four Day Work Week**

Introduced by Assembly Committee on Ways and Means and referred to Concurrent Committees on Government Affairs and Ways and Means. (BDR 23-890)

Fiscal Effect: Yes, on State.

Creates a 10-hour, four day – Monday through Thursday – work week for State employees. Provides for additional hours and creates an exemption for jobs that impact the public health, safety or welfare of Nevadans.

Effective: July 1, 2011 for the purpose of adopting regulations and January 1, 2012 for all other purposes.

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**AB 499 - Transfers of Funds Within Health and Human Services**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 31-1171)

Authorizes the Department of Health and Human Services to transfer funds appropriated to it among the various budget accounts of the Department, within the limits allowed for revisions of work programs.

Effective: Upon passage and approval.

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**AB 517 - State Budget**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 31-1164)

Requires the Executive Budget to show expenditures by summarization by program instead of by category of expenses and to include intermediate objectives and long-term performance goals, and specific measurement indicators to be used to track each program’s success. Eliminates requirements related to base budgets.

**NTA Position: Support in Concept.** Knowing the performance of any agency provides a meaningful tool for the executive and legislative branches in determining priorities and the levels of funding for various services and programs.

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**AB 521 - Department of Insurance Accounts**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 57-1189)

Moves various accounts of the Division of Insurance, Department of Business and Industry and Commissioner of Insurance into the Fund for Insurance Administration and Enforcement, an enterprise fund in the State Treasury. The money in each account may not be combined or used for any purpose not authorized by law.

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**AB 522 - Natural Resources Protection Bonds**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR S-1211)

Requires the issuance of not more than \$75 million in general obligation bonds of the State between July 1, 2011 and July 30, 2020 for programs and projects to protect, preserve and obtain the benefits of the property and natural resources of the State. The proceeds are allocated to the State Department of Conservation and Natural Resources for grants to state agencies, local governments and non-profit organizations, the Department of Wildlife and the Division of State Parks of the Department of Conservation and Natural Resources. This is in keeping with a voter-approved proposal in 2002 to issue general obligation bonds for this purpose not to exceed \$200,000,000.

Effective: July 1, 2011.

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**AB 525 - Wildlife Trust Fund**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 45-1213)

Creates the Wildlife Trust Fund to receive gifts, grants, donations and endowments for the Department of Wildlife. If no purpose is specified by the donor, the money is to be used to carry out the Department's work as specified in law. Requires an annual report on the Fund to the Legislature or Interim Finance Committee, as appropriate.

Effective: July 1, 2011

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**AB 559 - Lake Tahoe Environmental Bonds**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR S-1212)

Requires the issuance of not more than \$12 million of general obligation bonds to carry out certain environmental improvement projects included in phase two of Lake Tahoe's Environmental Improvement Project, as implemented in 1997 by Nevada, California, the Federal government, local governments and property owners.

Effective: July 1, 2011.

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**SB 409 - Lease of Office Space**

On behalf of the Legislative Commission's Committee to Study the Production and Use of Energy, introduced by Senate Committee on Government Affairs and referred to same. (BDR 27-221)

Fiscal Effect: Yes, on State.

Requires the Chief of Buildings and Grounds to consider energy efficiency and conservation before entering or renewing a lease for office space in buildings not owned by the State. Also, the Chief is to consider the feasibility of constructing energy efficient capital projects to replace leased space. The Chief is to submit a biennial list of office space leased for the use of certain state agencies to the Chief of the Budget Division.

Effective: July 1, 2011.

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**SB 421 - Fund for a Healthy Nevada**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 40-1170)

Eliminates the Trust Fund for Public Health and assigns its 10 percent share of Tobacco Settlement money, plus any balance it holds, to the Fund for a Healthy Nevada, bringing its share of Tobacco money to 60 percent. Removes provisions requiring the Fund for a Healthy Nevada to spend revenues on specific programs and requires, instead, the Department of Health and Human Services to include a biennial plan for allocation to these programs as part of its proposed budget.

Effective: July 1, 2011.

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**SB 440 - Health Insurance Exchange**

*See page 100 of this issue, under "Business" heading.*

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**SB 431 - Secretary of State Funds**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 7-1155)

Authorizes the Secretary of State, with approval of the Interim Finance Committee, to use money received from enforcement of security laws for purposes other than investigations, enforcement and public education on security laws.

Effective: Upon passage and approval.

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**SB 442 - Concessions in State Park**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 35-1210)

Creates the Fund for State Park Interpretative and Education Programs and Operation of Concessions to receive revenues derived from concessions, vending machines and other special activities in state parks and to pay the costs of those activities and for interpretive and educational programs and special park projects.

Effective: July 1, 2011.

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**SJR 13 - Trust Fund for State Parks**

Introduced by Senate Committee on Government Affairs and referred to Senate Committee on Legislative Operations and Elections. (BDR C-918)

Proposes amending Article 9 of the Nevada Constitution to add a new section,6, to create a Trust Fund for State Parks.

*Section 6. 1. There is hereby created the Trust Fund for State Parks.*

*2. Money in the Trust Fund for State Parks must be held in trust and used exclusively for the acquisition, improvement and preservation and maintenance of state parks for the benefit of the residents of this State.*

*3. The Legislature shall provide by law for the investment and administration of the money in the Trust Fund for State Parks and may take such actions as appropriate to encourage endowments, gifts and other donations for the Fund.*

*4. The Legislature may provide by law for the imposition of an annual registration fee not to exceed \$5 per noncommercial motor vehicle for deposit in the Trust Fund for State Parks.*

*Also proposes amending Section 5 of Article 9 to allow the proposed fee to be directed to the Trust Fund for State Parks instead of public highways.*

**REORGANIZATION & CONSOLIDATION OF STATE GOVERNMENT**
**AB 516 - Division of Minerals**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 46-1207)

Transfers the Division of Minerals from the Commission on Mineral Resources to the State Department of Conservation and Natural Resources and requires the Division Administrator be appointed by the Department Director.

**AB 518 - Manufactured Housing Division**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 18-1224)

Fiscal Effect: Yes, on State

Renames the Manufactured Housing Division as the Manufactured Housing Section and consolidates its functions into the Housing Division of the Department of Business and Industry. Designates the Section's chief as Deputy Administrator.

Effective: July 1, 2011.

**AB 519 - Office of Consumer Health Assistance**

On behalf of Division of Budget and Planning, introduced by Assembly Committee on Ways and Means and referred to same. (BDR 18-1157)

Transfers the Office of Minority Health into the Office for Consumer Health Assistance and transfers the Office for Consumer Health Assistance into the Department of Health and Human Services from the Office of the Governor. Requires the Director of HHS to appoint the Governor's Consumer Health Advocate to head the office.

Effective: July 1, 2011

**SB 424 - Department of Tourism and Cultural Affairs**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 18-1163)

Fiscal Effect: Yes, on State.

Creates the Department of Tourism and Cultural Affairs to include: Division of Tourism, Division of Museums and History, Nevada Arts Council, Commission on Tourism and Commission for Cultural Affairs. Provides for the appointment by the Governor, responsibilities and duties of the Director of the Department of Tourism and Cultural Affairs. Provides for transition of activities.

**SB 426 - Office of Energy**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 58-1126)

Eliminates the Renewable Energy and Energy Efficiency Authority and the Nevada Energy Commissioner position. Transfers the duties of that entity to the Office of Energy and authorizes its Director to add no more than three members to the State and Local Government Panel on Renewable and Efficient Energy and the New Energy Industry Task Force, respectively. Transfers responsibility for tracking energy use in buildings occupied by state agencies from Buildings and Grounds to the Office of Energy.

Effective: July 1, 2011.

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**SB 427 - Department of Administration**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 18-1161)

Fiscal Effect: Yes, on State.

Provides for 1) dissolution of the Department of Cultural Affairs, with the exception of the Division of State Library and Archives, the State Council on Libraries and Literacy and the State Historical Records Advisory Board, which are reorganized under the Department of Administration; 2) elimination of the Division of Museums and History, the Office of Historic Preservation, the Nevada Arts Council and the Commission for Cultural Affairs; 3) elimination of the Department of Personnel and its replacement by a new division of the Department of Administration to be known as the Division of Human Resource Management; 4) significant restriction of the powers and duties of the State Public Works Board, such that the Board will only be empowered to make recommendations concerning priority of construction, adopt regulations and preside over certain appeals; 5) reclassification of the Buildings and Grounds Division of the Department of Administration as a section instead of a division; 6) placement of both the State Public Works Board and the Buildings and Grounds Division under a new division of the Department of Administration to be known as the State Public Works Division; 7) assumption of most of the powers and duties of the State Public Works Board by the State Public Works Division; and 8) elimination of the Department of Information Technology and its replacement by a new division of the Department of Administration to be known as the Division of Enterprise Information Technology Services. Directs the Legislative Counsel to appropriately change any references to an officer, agency or other entity whose name is changed, whose responsibilities are transferred or whose responsibilities are eliminated.

Effective: July 1, 2011.

**NTA Comment:** Also see SB 424 under this heading on page 109 of this issue.

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**SB 435 - Office of Historic Preservation**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 18-1173)

Fiscal Effect: Yes, on State

Transfers the Office of Historic Preservation from the Department of Cultural Affairs to the State Department of Conservation and Natural Resources.

Effective: August 1, 2011.

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**SB 439 - State Board of Fire Services**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 42-1203)

Eliminates the Fire Service Standards and Training Committee and creates the 10-member State Board of Fire Services to oversee firefighter training, education, standards, and certification programs and regulations and make recommendations to the State Fire Marshall and the Legislature concerning necessary legislation related to fire fighting and fire protection.

Effective: Upon passage and approval and July 1, 2011.

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**SB 468 - Department of Motor Vehicles**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 40-1221)

Within the Department of Motor Vehicles (DMV), renames the Division of Management Services and Programs as the Division of Research and Development and renames the Motor Carrier Division as the Motor Carrier and Fuel Tax Division. Eliminates the Division of Measurement Standards of the State Department of Agriculture and transfers those duties to the newly created Weights and Measures Standards Program of the DMV. Transfers the duties and authority of the ex-officio State Sealer of Weights and Measures to the Director of the DMV, including inspection of certain petroleum products. Transfers duties of the State Board of Agriculture and State Sealer of Weights and Measures under the Nevada Petroleum Products Inspection Act to the DMV Weights and Measures Standards Program. Transfers the duties related to inspection and regulation of antifreeze products from the State Sealer of Weights and Measures to the State Department of Agriculture. Money from the Account used for inspection of petroleum products goes to the Department of Motor Vehicles rather than the State Department of Agriculture.

Effective: Upon passage and approval.

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**SB 473 - Consumer Affairs**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to same. (BDR 18-1190)

Permanently transfers the powers and duties of the Consumer Affairs Division to the Office of the Attorney General from the Department of Business and Industry. This transfer was made on a temporary basis, for the 2009-2011 biennium, by the 2009 Legislature. Eliminates the Office of Ombudsman of Consumer Affairs for Minorities from the Department of Business and Industry.

Effective: Upon passage and approval and July 1, 2011.

**SB 475 - Bicycle and Pedestrian Safety**

On behalf of Division of Budget and Planning, introduced by Senate Committee on Finance and referred to Senate Committee on Transportation. (BDR 35-1193)

Expands the bicycle safety program of the Department of Public Safety to include pedestrian safety and transfers the program to the Department of Transportation. Renames the Nevada Bicycle Advisory Board as the "Nevada Bicycle and Pedestrian Advisory Board" under the Highways and Roads Law administered by the Department of Transportation. Revises the Drivers' Education and Safety Officer position and title at DMV to "Highway Safety Information and Outreach Coordinator," transfers the position to the Department of Transportation and gives the Department use of the funds in the Highway and Safety Administrative Account to support the position.

Effective: July 1, 2011.

**NTA Comment:** Since the Department of Motor Vehicles administers the drivers license test, which comes under the purview of the Driver's education and Safety Officer position, it is hard to understand why this position with a different name is being transferred to the Department of Highways.

**LEGISLATURE****AB 502 - Ballot Format**

Introduced by Assembly Committee on Legislative Operations and Elections and referred to same. (BDR 24-1112)

Revises the order of listings on ballots to show revenue questions from the Legislature after national office candidates and before state and local candidates. Advisory questions continue to follow state and local candidate listings.

**SB 418 - Subcommittee on Health Care Reform**

Introduced by Senate Committee on Health and Human Services; referred to Senate Committee on Legislative Operations and Elections. (BDR 40-695)

Fiscal Effect: \$1,403 on the budget of the Legislative Counsel Bureau.

Creates the Subcommittee on Health Care of the Legislative Committee on Health Care to oversee implementation of federal health care reform. The 3 members are to be appointed by the Chair of Legislative Committee on Health Care.

Effective: July 1, 2011.

**COURTS****AJR 7 - Court of Appeals**

Introduced by Assembly Committee on Judiciary and referred to Assembly Committee on Legislative Operations and Elections. (BDR C-1129)

Fiscal Effect: Yes, on State.

Proposes an amendment to Article 6 of the Nevada Constitution to add a new section, 3A, to create an intermediate appellate court, known as the court of appeals.

**NTA Comment:** Resolutions to establish an Appeals Court turn up after each general election in which the voters have turned down a change in the Constitution to create the Appeals Court. The 2010 November election ballot carried Question 2 which would have amended the Constitution to allow the Legislature to create the Court.

**SJR 14 - Court of Appeals**

Introduced by Senate Committee on Judiciary and referred to same. (BDR C-1013)

Fiscal Effect: Yes, on State.

**NTA Comment:** This is the same as AJR 7, above.

**GENERAL INTEREST****AB 458 - Homeowner's Insurance Renewals**

Introduced by Assembly Committee on Commerce and Labor and referred to same. (BDR 57-562)

Requires insurers to provide to homeowners written notice of premium and applicable coverage changes 30 days in advance of the policy renewal date. Allows homeowners to request detailed explanations of the changes, which the insurer must provide within 6 days of the written request.

**AB 539 - Insurance: Rates, Policies, Consumer Advocate**

Introduced by Assembly Committee on Commerce and Labor and referred to same. (BDR 57-773)

Fiscal Effect: Yes, on State.

Requires the Commissioner of Insurance to issue regulations regarding rates, excess profit formulas, various aspects of available coverage for homeowner's insurance, premium payment plans and online availability of policy option information by insurers. Creates the Office of Consumer Advocate within the Division of Insurance to "grade" each insurer annually and publish that and other information on each insurer on a website.

**SB 489 - Drivers Licenses and ID Cards**

Introduced by Senate Committee on Transportation and referred to Senate Committee on Finance. (BDR 43-1086)

Fiscal Effect: Yes, on State.

Sets two types of permits, licenses and identification cards to be issued by the Department of Motor Vehicles: "standard" for use and identification within the State and "federally qualified" which will meet federal regulations for identification outside the State as well. When a permit or ID card from another State is surrendered for registration in Nevada, the other State will be notified by DMV.

Effective: Upon passage and approval and January 1, 2012.

**NEVADA TAXPAYERS ASSOCIATION****ABOUT THIS PUBLICATION**

*Legislative Report* is published weekly during a legislative session. Occasional Reports are issued prior to the Legislative Session, which summarize prefiled bills.

**ABOUT THE ASSOCIATION**

The Nevada Taxpayers Association is one of the oldest government research and advocacy associations not only in Nevada, but also in the United States. The Association was established in 1922 as a statewide, non-profit 501(c)(4) non-partisan, membership association

**THE MISSION**

The mission of the Association since it was formed has been to monitor, analyze and research information regarding fiscal matters; to take positions as appropriate in the areas of taxes and expenditures; and to disseminate these positions and information while there is still time for responsible action.

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