

# LEGISLATIVE REPORT

A publication of the Nevada Taxpayers Association, serving the citizens of Nevada since 1922

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## Notes:

- Page numbers continue from previous issue.
- This issue contains a summary of issues that have a substantial impact on State or local government budgets and bills that we believe are of general interest to our members.
- The default effective date for bills, unless otherwise requested, is October 1, 2013. An effective date for the bills reported will be shown only when it differs from the default date.
- For the purpose of this report, the “fiscal effect” shown is taken from the bill and not determined by NTA.
- The full text of all bills is available by logging onto [www.leg.state.nv.us](http://www.leg.state.nv.us) and going to “Session Information - 2013.”

## TAXES

### Administration

#### **SB 117 – Department of Taxation Subpoena Authority**

Sponsored by Senator Smith, et al (11 co-sponsors); Joint Sponsors: Assemblywoman Kirkpatrick, et al (2 co-sponsors); referred to Committee on Health and Human Services.

Prohibits the Department from issuing a subpoena to compel the production of books and papers that contain individually identifiable health information.

Fiscal Effect: Yes, on State.

Effective: July 1, 2013

### Gaming Taxes and Fees

#### **AB 114 – Interactive Gaming – Requires 2/3 Majority**

Sponsored by Assemblyman Horne, et al (11 co-sponsors); Joint Sponsors: Senator Atkinson, et al (7 co-sponsors); referred to Committee on Judiciary.

Increase the license fee for interactive gaming to \$1,000,000 from \$500,000 and renewal fee to \$500,000 from \$250,000. Authorizes the Governor to enter agreements with other states to allow patrons in those states to participate in interactive gaming. Removes the provision that an interactive gaming license is not effective until it is permissible under Federal law. Expands the makeup of the Gaming Policy Committee and authorizes the Governor to appoint a subcommittee on gaming education. Defines eligibility requirements for an interactive gaming license.

Fiscal Effect: Yes, on State.

Effective: Upon passage and approval.

**Note**: Also see AB 5 in Issue 3-13, page 14.

### Miscellaneous Taxes

#### **AB 122 – Fast Food Fee – Requires 2/3 Majority**

Sponsored by Assemblymen Munford and Hogan, referred to Committee on Taxation. (BDR 32-57)

Amends existing law to impose a fee of 5 cents per item on sales of fast food items in excess of 500 calories. Taxes to be collected by the Department of Taxation and credited to the General Fund.

Effective: Upon passage and approval for regulations and January 1, 2014 for all other purposes.

**Note**: This is not a fee, but a tax. Fees do not support the general fund, they support a specific governmental function and are paid by the person that benefits from that function.

**Position: Oppose.** This is an example of a tax that will be difficult to both administer and comply with. It is not tax policy it is health policy in the form of punitive taxation.

### Sales

#### **SJR 5 – Marketplace Fairness Act Support**

Sponsored by Senator Woodhouse, et al (13 co-sponsors); referred to Committee on Legislative Operations and Elections. (BDR R-697)

Urges Congress to reintroduce and pass the Marketplace Fairness Act.

**Position: Support.** The Market Place Fairness Act would allow remote sellers to collect and remit Nevada sales and use tax.

### Vehicle and Fuel Taxes and Fees

#### **AB 96 – DMV Fees: Installment Payments, Trailer Valuation**

Sponsored by Assemblywoman Neal, referred to Committee on Transportation. (BDR 43-494)

Allows a person to show satisfactory evidence of hardship to the Department to pay passenger car or motorcycle fees in installments. Allows owners of a dormant vehicle to provide a notarized affidavit of that status to the Department in lieu of the actual license plates. Requires the Department to use the most recent purchase price of a trailer under 4,000 pounds to determine value rather than the MSRP.

#### **AB 101 – Moped Registration – Requires 2/3 Majority**

Introduced by Committee on Transportation and referred to same. (BDR 43-240)

Removes the exemption of mopeds from registration requirements and set the registration fee at \$33, the same as motorcycles. Extends provisions relating to special license plates and disabled vehicle owners to mopeds. Makes the failure to register a moped a misdemeanor.

Effective: July 1, 2014

## **BUSINESS ISSUES**

#### **AB 89 – Benefit Corporations**

Sponsored by Assemblyman Bobzien, et al (17 co-sponsors); Joint Sponsors: Senator Denis, et al (6 co-sponsors); referred to Committee on Judiciary. (BDR 7-28)

Authorizes and sets provisions for creation, registration and reporting requirements of “benefit corporations,” defined as entities which provide a material positive impact on society and the environment, including providing low-income or underserved individuals or communities with beneficial products or services, promoting economic opportunity for individuals or communities beyond the creation of jobs in the ordinary course of business, preserving the environment, improving human health and promoting the arts, sciences or the advancement of knowledge. The purpose of the benefit corporation must be stated in its articles of incorporation and the entity must register and pay the existing filing fee with the Secretary of State.

Fiscal Effect: Yes, on State

Effective: January 1, 2014

#### **AB 99 – Notarial Acts, Revised Uniform Law**

Sponsored by Assemblymen Ohrenschall and Horne; Joint Sponsors Senator Segerblom, et al (3 co-sponsors); referred to Committee on Government Affairs. (BDR 19-1)

Replaces the existing Uniform Law on Notarial Acts with the Revised Uniform Law on Notarial Acts (RULONA). Revisions include adding domestic partner to the definition of relative

Effective: January 1, 2014

#### **AB 106 – OSHA Hearings, Recovery of Costs**

Sponsored by Assemblyman Hansen, et al (9 co-sponsors); referred to Committee on Commerce and Labor. (BDR 53-156)

Provides that prevailing parties in actions brought before the OSHA Review Board by the Division of Industrial Relations of the Department of Business and Industry may, under certain conditions, be awarded costs, fees or expenses and if the Department appeals the award and it is upheld, interest must be paid. Payment of such an award is to be made from the Legislatively appropriated funding of the Division.

Fiscal Effect: Yes, on State

Effective: Upon passage and approval.

**AB 107 – Construction Defect Cases: Attorney Fees**

Sponsored by Assemblyman Hansen, et al (12 co-sponsors); Joint Sponsor: Senator Gustavson, referred to Committee on Judiciary. (BDR 3-551)

Amend existing law to authorize the court to award reasonable attorney's fees to a prevailing party in a construction defect action if an independent basis for the award exists. Under existing law, reasonable attorney's fees were awarded as part of damages.

Effective: On claims that arise on or after October 1, 2013.

**EDUCATION****AB 124 – Millennium Scholarship Eligibility**

Sponsored by Assemblyman Munford, et al (15 co-sponsors); Joint Sponsor: Senator Atkinson, referred to Committee on Education. (BDR 34-60)

Provides that if a pupil violates the code of honor relating to cheating on three or more occasions while he or she is enrolled in a public high school in this State, the pupil is not eligible for a Millennium Scholarship.

Effective: July 1, 2013

**SJR 6 – Guinn Millennium Scholarship Trust Fund**

On behalf of the Nevada Youth Legislature, introduced by Committee on Finance and referred to same. (BDR C-47)

Proposes to amend the Nevada Constitution to add a new section to Article 11 to create the Governor Guinn Millennium Scholarship Trust Fund and give the Legislature a constitutional duty to provide for the Governor Guinn Millennium Scholarship Program. Removes the requirement that a student have maintained at least a B grade point average and instead allows the Legislature to determine the level of academic performance that must be achieved to qualify for a scholarship. Mandates certain sources and levels of funding and moves other accounts into the Trust, such as the Guinn Memorial Fund.

**LOCAL GOVERNMENT****AB 112 – Collective Bargaining: Evergreen Language**

Sponsored by Assemblyman Kirner, et al (11 co-sponsors); Joint Sponsors: Gustavson and Kieckhefer, referred to Committee on Government Affairs. (BDR 23-647)

Generally provides that upon the end of the term stated in a collective bargaining agreement, and until a successor agreement becomes effective, a local government employer shall not increase any salary, wages, contributions or other monetary compensation or benefits paid to or on behalf of employees in the affected bargaining unit. Does not apply to rate increases for PERS contributions

Effective: Upon passage and approval.

**STATE GOVERNMENT****AB 125 – Lease of State Lands for Economic Development**

Sponsored by Assemblywoman Kirkpatrick, referred to Committee on Natural Resources, Agriculture and Mining

Amends existing law to authorized the State Land Registrar to lease state land for purposes of economic development at less than market value and without normal procedures upon approval of the Registrar and Executive Director of the Office of Economic Development.

Effective: July 1, 2013

Note: This is an expansion of the approach introduced in the 2011 Session in AB 469.

**SB 102 – Guinn Memorial Scholarship, Additional Recipients**

Sponsored by Senator Kieckhefer, referred to Committee on Education. (BDR 34-837)

Expands the annual award of the Kenny C. Guinn Memorial Millennium Scholarship to one recipient enrolled at UNR, Great Basin College or Sierra Nevada College and one recipient enrolled at UNLV or Nevada State College. Each scholarship, depending on available money in the account, is up to \$4,500.

Effective: July 1, 2013.

**SB 120 – Department of Wildlife: Changes Designation**

Sponsored by Senator Goicoechea, referred to Committee on Finance. (BDR 45-244)

Assembly Bill No. 41 of the 2003 Legislative Session converted the Division of Wildlife of the State Department of Conservation and Natural Resources into the Department of Wildlife. This bill reverses the changes made by Assembly Bill No. 41 and makes other conforming changes to convert the Department of Wildlife into the Division of Wildlife of the State Department of Conservation and Natural Resources. The Administrator of the Division is to be named by the Director of the Department.

Effective: July 1, 2013 and other dates.

**LEGISLATURE****AB 118 – Legislative Open Meeting Law**

Sponsored by Assemblyman Hickey, et al (6 co-sponsors); Joint Sponsors: Senators Brower and Hutchison; referred to Committee on Legislative Operations and Elections. (BDR 17-49)

Establishes the Legislative Open Meeting Law requiring public access and comment periods for legislative committee meetings. Sets a three-day advance notice period for agenda items, except in emergency situations when unforeseen circumstances require immediate action, and requires written and recorded records of open meetings to be available within 30 days.

Effective: July 1, 2013.

Position: **Support.** This will add to the transparency of the legislative process.

**GENERAL INTEREST****AB 117 – Rules of the Road**

Sponsored by Assemblyman Sprinkle, et al (12 co-sponsors); Joint Sponsor: Senator Smith; referred to Committee on Transportation. (BDR 43-566)

Allows a person driving a motorcycle, moped, trimobile, bicycle or electric bicycle to proceed into an intersection against a red signal if they stop first and yield to cross traffic and pedestrians and certain other situations.

**AB 120 – Insurance Policy Disclosures**

Sponsored by Assemblyman Aizley, referred to Committee on Commerce and Labor. (BDR 57-802)

Requires insurers who use insurance scores to calculate premium amounts to include in the policy notices that a score was used, minimum and maximum possible score that could have been obtained, and the actual score of the policyholder. Violations are a misdemeanor.

**Nevada Taxpayers Association**

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

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