

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 - “session information.”

TAXES

AB 245 - Veteran Exemptions on Vehicles

Sponsored by Assemblyman Stewart, et al (11 co-sponsors); Jointly sponsored by Senator Hardy, et al (3 co-sponsors); referred to Assembly Committee on Taxation. (BDR 32-348)

Allows the \$2,000 government services tax exemption on vehicles available to veterans to be transferred to the veteran’s spouse. The transfer is revocable at any time and expires upon revocation or the death of the veteran.

Effective: July 1, 2011

AB 263 - Carson City: Use of Open Space and Parks Tax Revenue

Sponsored by Assemblyman Livermore, et al (12 co-sponsors); referred to Assembly Committee on Taxation. (BDR S-646)

Clarifies the use restrictions on revenue collected by Carson City from the local sales tax activated by the The Board of Commissioners. The revenue is to be used for the acquisition, development, construction, equipping, operation, maintenance, improvement and management of open spaces, parks, trails and recreational facilities located within Carson City. The revenue may not be used for any administrative costs or for any purposes other than those stated.

Effective: July 1, 2011

FEES

AB 247 - Decal for Farm Vehicles On Highways - Requires 2/3 Majority

Sponsored by Assemblyman Goicoechea, et al (2 co-sponsors); referred to Assembly Committee on Transportation. (BDR 43-300)

Fiscal Effect: Yes, on State

Requires those driving, even temporarily, a road machine or farm vehicle on a highway to obtain a decal denoting exemption from obtaining a license for the vehicle. To obtain the decal, or a replacement decal, requires producing evidence of a minimum of \$300,000 in liability insurance and payment of a \$20 fee. Other provisions apply to safety procedures.

AB 258 - Internet Poker - Requires 2/3 Majority

Introduced by the Assembly Committee on Judiciary and referred to same. (BDR 41-657)

Fiscal Effect: Yes, on State

Requires the Nevada Gaming Commission to establish by regulation certain provisions authorizing the licensing and operation of Internet poker by applicants located in Nevada or other jurisdictions where Internet poker is allowed by law. Applications for Internet poker licenses are to be handled in the same manner as all other gambling licenses. Included in the provisions are assurances that bettors are at least 21 and are located in Nevada and that controls are in place to assure accurate calculation of state license fees and taxes. In the case of players who are located in another jurisdiction, the Nevada gaming taxes shall be paid at the full rate, regardless of any sharing of revenue by Nevada with the other jurisdiction.

Effective: Upon passage and approval

SB 234 - Motor Vehicle Dealers; Agent Licensing - Requires 2/3 Majority

Sponsored by Senator Horsford; referred to Senate Committee on Commerce, Labor and Energy. (BDR 43-386)

Requires agents of motor vehicle brokers to be licensed upon application, clearance and payment of \$75 fee and imposes a transfer fee of \$20 to move the license to another employer. Imposes restrictions on manufacturers relating to returns of parts, accessories or other assembled components by dealers and prohibits manufacturers from requiring dealers to substantially alter existing or construct new facilities for any new automobile products that are handled by the dealer. Imposes a number of provisions relating to cancellation of franchises and resulting expenses to the dealership as well as in the event of change in ownership of the manufacturer. Stipulates certain warranties for used vehicles sold at various odometer readings, puts certain restrictions on warranty and rebate audits by manufacturers, and addresses other business activities.

BUSINESS ISSUES

AB 252 - Worker Eligibility: Public Works

Sponsored by Assemblyman Hickey, et al (13 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 28-581)

Fiscal Effect: Yes, on State

Requires contractor and subcontractors on public works projects to use the federal E-Verify system to ensure workers are eligible for employment and extends the fine for discrimination to \$5,000 per violation.

AB 253 - NVOSHA Violation Fines

On behalf of the Legislative Commission's Subcommittee to Review the United States Department of Labor Report on the Nevada Occupational Safety and Health Program, introduced by the Assembly Committee on Commerce and Labor and referred to same. (BDR 53-100)

Extends the provisions covering violations of NVOSHA regulations to violating terms of a settlement agreement that involves those regulations. Raises the administrative fines for willful or repeated violations of NVOSHA provisions, including an increase for willful violations to between \$8,000 and \$120,000 (from \$5,000 to \$70,000), and to \$50,000 to \$250,000 and imprisonment in county jail where the death of an employee is involved. Directs the Department of Personnel to conduct a survey of salaries of safety and mechanical inspectors employed by the Division of Industrial Relations of the Department of Business and Industry as well as in the private sector and submit the information to the Director of the Legislative Counsel Bureau no later than July 1, 2012 for distribution to the Interim Finance Committee.

Effective: July 1, 2011

AB 256 - Workers Compensation

Introduced by the Assembly Committee on Commerce and Labor and referred to same. (BDR 53-1121)

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

Revises various provisions of the Nevada Industrial Insurance Act, including superseding a Nevada Supreme Court decision to allow inclusion of wages earned outside the State under certain circumstances. Specifies how benefits must be paid by an insurer and specifies time periods during which decisions must be made and actions taken. Allows reduced payments on claims where a pre-existing disability or condition is determined and repeals the law preventing causes of action to be taken against insurers and third-party administrators.

AB 261 - Small Claims Limit Raised

Sponsored by Assemblyman Hansen, et al (7 co-sponsors); Jointly Sponsored by Senator Lee; referred to Assembly Committee on Judiciary. (BDR 6-1029)

Fiscal Effect: May have impact on local government

Increases the monetary limit of a small claims action in court to \$9,000 from \$5,000.

Effective: July 1, 2011

SJR 8 - Federal Requirements for Conducting Mining Operations

Sponsored by Senator Rhoads, et al (10 co-sponsors); referred to Senate Committee on Natural Resources. (BDR R-1035)

Urges the Federal Government and each State entity which regulates the activities of mining operations in Nevada to expedite and streamline the procedure for obtaining permits and complying with any other requirement for conducting those mining operations.

Effective: Upon passage

EDUCATION**AB241 - Education Stabilization Account**

Sponsored by Assemblywoman Smith, et al (5 co-sponsors); referred to Assembly Committee on Ways and Means. (BDR 23-149)

Fiscal Effect: May have impact on Local Government

Creates the K-12 Public Education Stabilization Account within the Fund to Stabilize the Operation of the State Government and requires the State Controller to deposit any money reverted from the State Distributive School Account at the close of each odd-numbered fiscal year into that Account and into the Account for Programs for Innovation and the Prevention of Remediation. The Superintendent of Public Instruction may request an allocation from the K-12 Public Education Stabilization Account to cover a shortfall from the State Distributive School Account before requesting funds from the Fund to Stabilize the Operation of the State Government. Also creates the Nevada System of Higher Education Stabilization Account within the Fund to Stabilize the Operation of the State Government and requires the State Controller to deposit any money reverted from the Nevada System of Higher Education at the close of the previous fiscal year into that Account. The Board of Regents of the University of Nevada may request an allocation from the Account to offset any reserves required to be set aside by the Nevada System of Higher Education. In both accounts, the amount of reserves is limited by formula.
Effective: July 1, 2011

NTA Position: Amend. The stabilization account (a.k.a. rainy day fund) for K-12 education has been a long discussed proposal. It is justified by the fact that any revenue available for the stabilization account is from revenue sources specifically dedicated to K-12. The remaining provisions of the bill which provide for a set aside to be used for K-12 programs for Innovation and the Prevention of Remediation and the creation of a rainy day fund for higher education should be eliminated. The former has the potential of adding an ongoing expense and that does not really fit what rainy day funds are about, and the latter utilizes General Fund money, not a dedicated source of revenue. It seems the concern of former Senator Bill Raggio was well founded, when at a hearing in 2007 on a K-12 rainy day fund he asked at what point the Legislature would be requested to set up rainy day funds for other expenditures such as medicaid and the University.

SB 230 - Serving Trans Fats Foods in Schools Prohibited

Sponsored by Senator Denis, et al (3 co-sponsors); Jointly sponsored by Assemblyman Bobzien, et al (5 co-sponsors); referred to Senate Committee on Education. (BDR 34-666)

Prohibits selling or serving food or beverages that contain trans fats at public or charter schools . The prohibition does not apply to food made available through the federal School Breakfast Program or the National School Lunch Program. This includes food or beverages containing vegetable shortening, margarine or partially hydrogenated vegetable oil, unless the manufacturer's label or the required nutrition labeling of the food or beverage states that zero grams of trans fat are contained.
Effective: July 1, 2011

SB 231 - Concealed Firearms Allowed on NSHE Campuses

Sponsored by Senator Lee, et al (9 co-sponsors); Jointly sponsored by Assemblyman Anderson, et al (13 co-sponsors); referred to Senate Committee on Government Affairs. (BDR 20-742)

Allows people with permits to carry concealed firearms to do so on the property of the Nevada System of Higher Education. Authorizes county sheriffs and NSHE police to supply information on instructors and organizations that offer courses on firearm safety in an educational environment.

Effective: July 1, 2011

LOCAL GOVERNMENT**AB 238 - Municipal Securities, Refunding**

On behalf of the Legislative Committee To Oversee the Western Regional Water Commission, introduced by Senate Committee on Government Affairs and referred to same. (BDR 20-244)

Allows counties to acquire securities issued to refund municipal securities that were issued previously by the municipality – but not before October 1, 1999 – for infrastructure projects, regardless of whether those securities are held by the county or another entity.

Effective: Upon passage and approval

AB 239 - Public Body Meeting Materials

Sponsored by Assemblyman Bobzien, et al (10 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 19-527)

Requires all public bodies to post on their respective websites, all meeting materials, including supporting material on agenda items provided to members of the public body during a meeting, and minutes, audiotape or videotape recordings of the meetings. These must remain available for one year. Certain exceptions are made for technical difficulties.

Effective: July 1, 2011

AB 262 - Public Administrator of Storey County

Sponsored by Assemblyman Grady; Joint Sponsor: Senator Settlemeyer; referred to Assembly Committee on Government Affairs. (BDR 20-1039)

Declares the District Attorney of Storey County will serve, ex-officio, as the Public Administrator of that county beginning on July 1, 2011.

Effective: July 1, 2011

NTA Comment: This is in keeping with the Public Administrator positions in Humboldt, Lander, Lincoln and White Pine Counties.

STATE GOVERNMENT**AB 237 - Water and Sewer Bonds and Rates**

On behalf of the Legislative Committee to Oversee the Western Regional Water Commission, introduced by the Assembly Committee on Government Affairs and referred to same. (BDR 20-243)

Increases the allowable interest rate on general and special obligation bonds for water and sewer projects of municipalities to a maximum of 5 percent (from 3 percent) over certain published interest rates. Authorizes county boards to issue special obligation bonds for water and sewer projects and make those bonds payable from and secured by the revenues of the project or other revenues the county is authorized to pledge for payment of special obligations, but not payable from general ad valorem taxes. Allows the board of a county with a population between 100,000 and 400,000 (currently Washoe County) to provide financial assistance to persons to connect to the county's public water or sewer system and to issue bonds and other securities under the County Bond Law to finance this assistance as part of a sewerage or water project.

Effective: Upon passage and approval.

NTA Comment: Recent reports on the 2010 Census indicate Washoe County's population has exceeded 400,000.

AB 239 - Public Body Meeting Materials

See "Local Government" heading on page 51 for details.

AB 240 - Contracts with Outside Consultants; Reporting

Sponsored by Assemblywoman Smith, et al (13 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 12-149)

Requires that, with some exceptions, all contracts with consultants must be approved by and/or reported to the Interim Finance Committee and reported as part of the budget process for each agency. Prohibits state agencies and school districts from entering a contract with anyone who does not have a current and valid state business license.

Effective: July 1, 2011

NTA Position: Support. Given the recent exposé about State employees coming back to work for an agency they retired from and earning substantially more as a consultant than an employee, this would provide transparency regarding consultant contracts.

AB 242 - Quasi-Public Organization Reporting

Sponsored by Assemblywoman Kirkpatrick, et al (4 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 31-67)

Fiscal Effect: May have impact on local government

Requires quasi-public organizations – nonprofit religious, charitable, fraternal or other organization that qualify as a tax-exempt organization, or an agency created by an interlocal agreement – that receive money from a state agency in the form of a donation, gift, grant or other conveyance must submit annual reports to the Legislative Commission, on or before September 1, detailing the disposition and use of the money received. State Agencies which convey money to quasi-public

AB 242 - Quasi-Public Organization Reporting, continued

agencies are required to summarize each transaction in a budget entry. This does not apply to conveyances from a state agency that were made by direct appropriation.

Effective: Upon passage and approval.

NTA Position: Support. This would provide a missing level of transparency.

AB 243 - State Grants Coordinator

Sponsored by Assemblyman Hansen, et al (16 co-sponsors); Jointly sponsored by Senator Gustavson, et al (4 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 31-585)

Fiscal Effect: Yes, on State.

Creates the position of State Grants Coordinator in the Budget Division of the Department of Administration to disseminate grant opportunity information and encourage collaborative grant applications among governmental entities in the state. Raises the approval threshold for acceptance of grants to \$225,000 from \$100,000 and the threshold for gifts to \$25,000 from \$10,000. Creates a Master Service Agreement Fund to facilitate state agencies' use of private contractors to assist with grant applications.

Effective: July 1, 2011

NTA Position: Support. This is modeled after SAGE Commission Recommendation #41. To date, three bills have been introduced in this Session and more are expected, each taking a slightly different approach to this position/office/effort. Building a collaborative system for grants application and management among state, local and private entities will have long term benefits for the State.

(Also See Legislative Report Issue 5-11, "State Government" heading, p. 40, for AB 172 - which proposes grant writers for only two State agencies.)

AB 248 - Performance Based Budgeting

Sponsored by Assemblywoman Smith, et al (10 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 31-146)

Fiscal Effect: Yes, on State.

The Executive Budget is to include a general summary by the Governor of the long-term performance goals for core government functions, including K-12 education, higher education, human services, public safety, health and other government services; an explanation of how the funding will allow ratable progress to be made toward those goals; and an outline of any other features of the financial plan for the next two years. The same information is to be included in the Budget document for each entity of the Executive branch, as well as intermediate and long-term goals, measurement indicators, and, if available, prior years' experience. All of the information is to be posted on State websites. The Governor can authorize or direct an agency to hold public hearings on the proposed budget.

NTA Comment: Hopefully the changes proposed will reduce the number of budget documents to two from this Session's four.

NTA Position: Support. Utilizing performance measures in the State budget to assist in establishing priorities should provide a more thoughtful analysis of what, how and if programs should be funded, than the current cost to continue budget document. It should also be a more meaningful budgeting process for the general public.

SB 233 - Office of Grants Procurement in Governor's Office

Sponsored by Senators Parks and Horsford; Joint Sponsors: Assemblymen Ocegueda and Conklin; referred to Senate Committee on Government Affairs. (BDR 18-1058)

Fiscal Effect: Yes, on State

Creates, in the Office of the Governor, the Office of Grant Procurement, Coordination and Management to seek out grant opportunities with particular emphasis on economic development and research to be conducted by NSHE entities, assist with and write grant proposals for state and local agencies and businesses, keep track of existing grants and applications across the state, and develop, by January 1, 2013, a long term incentive plan to encourage businesses to apply for grants for projects in Nevada. Requires State and local agencies to advise the Grants Procurement office of grant activity and prohibits those entities from creating programs with Federal grant money that is not continuous or reasonably certain to be renewed. The Director of this office is appointed by the Governor.

Effective: July 1, 2011

NTA Position: Support. This is also modeled after SAGE Commission Recommendation #41. While similar to AB 243, above, this includes a provision to encourage businesses to apply for grants. *(Also See Legislative Report Issue 5-11, "State Government" heading, p. 40, for AB 172 - which proposes grant writers for only two State agencies.)*

LEGISLATURE**AB 260 - Training for Newly Elected Legislators**

Sponsored by Assemblyman Ocegueda, et al (11 co-sponsors); referred to Assembly Committee on Legislative Operations and Elections. (BDR 17-29)

Requires newly elected Legislators, who have not previously served in either house, to attend mandatory training sessions, as specified by the Speaker of the Assembly and Majority Leader of the Senate, respectively, before the beginning of the Legislative Session. Failure to comply, unless excused, results in forfeit of one day's Legislative Session salary for each day of training missed.

GENERAL INTEREST**AB 257 - Open Meeting Law**

Sponsored by Assemblyman Ellison, et al (4 co-sponsors); Jointly Sponsored by Senator Brower, et al (4 co-sponsors); referred to Assembly Committee on Government Affairs. (BDR 19-107)

Amends the Open Meeting Law to direct that before action may be taken on an item noted for action on the agenda, public comment must be heard on the item. This is in addition to the public comment period held prior to adjournment.

Effective: July 1, 2011

AB 261 - Small Claims Limit Raised

See "Business Issues" heading on page 2 for details.

Nevada Taxpayers Association

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

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