
IN THE SUPREME COURT OF THE STATE OF NEVADA

THE LEGISLATURE OF THE STATE OF NEVADA; THE STATE OF
NEVADA DEPARTMENT OF TAXATION; AND THE STATE OF NEVADA
DEPARTMENT OF MOTOR VEHICLES, Clerk of Supreme Court
Appellants/Cross-Respondents,

v.

THE HONORABLE JAMES A. SETTELMAYER; THE HONORABLE JOE
HARDY; THE HONORABLE HEIDI SEEVERS GANSERT; THE
HONORABLE SCOTT T. HAMMOND; THE HONORABLE PETE
GOICOECHEA; THE HONORABLE BEN KIECKHEFER; THE HONORABLE
IRA D. HANSEN; THE HONORABLE KEITH F. PICKARD, in their official
capacities as members of the Senate of the State of Nevada and individually;
GREAT BASIN ENGINEERING CONTRACTORS, LLC, a Nevada limited
liability company; GOODFELLOW CORPORATION, a Utah corporation
qualified to do business in the State of Nevada; KIMMIE CANDY COMPANY, a
Nevada corporation; KEYSTONE CORP., a Nevada nonprofit corporation;
NATIONAL FEDERATION OF INDEPENDENT BUSINESS, a California
nonprofit corporation qualified to do business in the State of Nevada; NEVADA
FRANCHISED AUTO DEALERS ASSOCIATION, a Nevada nonprofit
corporation; NEVADA TRUCKING ASSOCIATION, INC., a Nevada nonprofit
corporation; and RETAIL ASSOCIATION OF NEVADA, a Nevada nonprofit
corporation,

Respondents/Cross-Appellants

On Appeal from the First Judicial District Court of the State of
Nevada, Carson City
No. 19 OC 00127 1B

**JOINT APPENDIX
Volume V of VII
(JA000925-001100)**

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 Respondents State of Nevada
 Department of Taxation and
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 of Motor Vehicles and Pending
 Cross-Respondents Steve Sisolak, in
 his official capacity as Governor of the
 State of Nevada, and Kate Marshall, in
 her official capacity as Lieutenant
 Governor of the State of Nevada and
 President of the Senate of the State of
 Nevada*

DATE	DOCUMENT DESCRIPTION	VOLUME	PAGE Nos.
08/05/2019	Acceptance and Acknowledgement of Service (Secretary of the Senate Clift)	I	83-84
08/05/2019	Acceptance and Acknowledgement of Service (Senate Majority Leader Cannizzaro)	I	85-86
08/05/2019	Acknowledgement of Receipt of Documents (Attorney General's Office)	I	81-82
11/12/2019	Affidavit of James Settlemeyer	II	418-422
11/03/2020	Amended Notice of Appeal (Executive Department-Defendants)	VII	1328-1381
09/16/2019	Answer to Plaintiffs' First Amended Complaint by Defendants State of Nevada ex rel. Senate Majority Leader Nicole Cannizzaro and Secretary of the Senate Claire Clift	I	87-100

07/19/2019	Complaint	I	1-14
08/05/2019	Declarations of Service (7 total)	I	32-80
10/12/2020	Executive Defendants' and Defendant-Intervenor Nevada Legislature's Joint Motion for Stay Pending Appeal	VI	1222-1235
11/10/2020	Executive Defendants' and Defendant-Intervenor Nevada Legislature's Reply Supporting Joint Motion for Stay Pending Appeal	VII	1382-1390
08/18/2020	Executive Defendants' Appendix to Reply (Volumes I-II)	III	474-602
08/21/2020	Executive Defendants' Joinder to Legislative Defendants' Countermotion for Summary Judgment	III	671-674
08/18/2020	Executive Defendants' Reply Supporting Motion to Dismiss and Opposition to Plaintiffs' Motion for Summary Judgment	II	457-473
09/04/2020	Exhibits 1-12 in support of Plaintiffs' Reply in Support of Motion for Summary Judgment; and Opposition to Legislative Defendants' and Legislature's Counter-Motion for Summary Judgment	IV-V	725-1056
07/30/2019	First Amended Complaint	I	15-31
12/26/2019	Legislature's Answer to First Amended Complaint	II	445-456
08/19/2020	Legislative Defendants' Opposition and Counter-Motion for Summary Judgment	III	603-670
09/15/2020	Legislative Defendants' Reply in Support of Counter-Motion for Summary Judgment	V	1076-1100
11/06/2019	Nevada Legislature's Motion to Intervene as Defendant	II	382-417

10/09/2020	Nevada Legislature's Notice of Appeal	VI	1214-1217
10/09/2020	Notice of Appeal (Executive Department-Defendants)	VI	1218-1221
10/07/2020	Order after Hearing on September 21, 2020, and Final Judgment	VI	1178-1191
10/13/2020	Order Granting Executive Defendants' and Defendant-Intervenor Nevada Legislature's Joint Motion for Stay Pending Appeal	VI	1236-1239
11/13/2020	Order Granting Executive Defendants' and Defendant-Intervenor Nevada Legislature's Joint Motion for Stay Pending Appeal	VII	1391-1394
12/19/2019	Order Granting Nevada Legislature's Motion to Intervene as Defendant-Intervenor and Denying Plaintiff Senators' Motion to Disqualify LCB Legal as Counsel for Nevada Legislature	II	433-444
11/03/2020	Order Granting Plaintiffs' Motion for Reconsideration	VI	1323-1327
10/06/2020	Original JAVS Transcript of Proceedings-September 21, 2020 oral argument	VI	1101-1177
10/20/2020	Plaintiffs' Motion for Reconsideration	VI	1240-1318
10/23/2020	Plaintiffs' Notice of Appeal	VI	1319-1322
09/30/2019	Plaintiffs' Opposition to Defendants' Motion to Dismiss or, in the Alternative, Plaintiffs' Motion for Summary Judgment	II	225-381
11/18/2019	Plaintiffs' Qualified Opposition to Motion to Intervene and Plaintiff Senators' Motion to Disqualify	II	423-432
09/04/2020	Plaintiffs' Reply in Support of Motion for Summary Judgment; and Opposition	IV	675-724

	to Legislative Defendants' and Legislature's Counter-Motion for Summary Judgment (Including Affidavit of Jennifer McMenemy and Affidavit of Senator James Settelmeyer		
09/08/2020	Plaintiffs' Supplement to Reply in Support of Motion for Summary Judgment; and Opposition to Legislative Defendants' and Legislature's Counter-Motion for Summary Judgment (Including Exhibit 13)	V	1057-1075
10/08/2020	Plaintiffs' Notice of Entry of Order After Hearing on September 21, 2020 and Final Judgment	VI	1192-1213
09/16/2019	State's Motion to Dismiss	I	101-224

RESPECTFULLY SUBMITTED this 11th day of March, 2021.

AARON D. FORD
Attorney General

By: /s/ Craig Newby
CRAIG A. NEWBY
Deputy Solicitor General
Attorney for Executive Defendants

CERTIFICATE OF SERVICE

I certify that I am an employee of the Office of the Attorney General and that on this 11th day of March, 2021, I served a copy of the foregoing JOINT APPENDIX, by electronic service to:

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Attorneys for Legislative Defendants

/s/ Kristalei Wolfe

1 Sec. 15. ~~[Section 13.2 of the Clark County Sales and Use Tax Act of 2005,~~
2 ~~being chapter 249, Statutes of Nevada 2005, as added by chapter 1, Statutes of~~
3 ~~Nevada 2013, 27th Special Session, at page 2, is hereby amended to read as~~
4 ~~follows:~~

5 ~~Sec. 13.2. 1. The provisions of paragraph (b) of subsection 1 and~~
6 ~~subsections 2 to 8, inclusive, of section 13 of this act do not apply to any~~
7 ~~expenditure of proceeds received from any sales and use tax imposed~~
8 ~~pursuant to this act on or after July 1, 2013, but before July 1, 2016. {,} and~~
9 ~~allocated among the police departments within the County pursuant to~~
10 ~~section 9 of this act.~~

11 ~~2. In addition to the requirements of section 13.5 of this act~~

12 ~~(a) The periodic reports required by that section must include, with~~
13 ~~respect to the period covered by the report, a separate detailed description~~
14 ~~of the expenditure of any proceeds received from the sales and use tax~~
15 ~~imposed pursuant to this act and allocated among the police departments~~
16 ~~within the County pursuant to section 9 of this act as a result of the~~
17 ~~provisions of subsection 1 and~~

18 ~~(b) A governing body that is required to submit a report pursuant to~~
19 ~~section 13.5 of this act shall submit a copy of the separate detailed~~
20 ~~description required by paragraph (a) for the period covered by the report to~~
21 ~~the Director of the Legislative Counsel Bureau for transmittal to the Interim~~
22 ~~Finance Committee on or before the date by which the governing body is~~
23 ~~required to submit the report for that period to the Department pursuant to~~
24 ~~section 13.5 of this act. (Deleted by amendment.)~~

25 Sec. 16. ~~[Section 13.5 of the Clark County Sales and Use Tax Act of 2005,~~
26 ~~being chapter 249, Statutes of Nevada 2005, as amended by chapter 497, Statutes of~~
27 ~~Nevada 2011, at page 3160, is hereby amended to read as follows:~~

28 ~~Sec. 13.5. 1. Any governing body that has approved expenditures~~
29 ~~pursuant to section 12.5 or 13 of this act shall submit to the Department the~~
30 ~~periodic reports required pursuant to this section and such other information~~
31 ~~relating to the provisions of this act as may be requested by the Department.~~

32 ~~2. The reports required pursuant to this section must be submitted:~~

33 ~~(a) On or before:~~

34 ~~(1) February 15 for the 3-month period ending on the immediately~~
35 ~~preceding December 31;~~

36 ~~(2) May 15 for the 3-month period ending on the immediately~~
37 ~~preceding March 31;~~

38 ~~(3) August 15 for the 3-month period ending on the immediately~~
39 ~~preceding June 30; and~~

40 ~~(4) November 15 for the 3-month period ending on the~~
41 ~~immediately preceding September 30; and~~

42 ~~(b) On or before August 15 for the 12-month period ending on the~~
43 ~~immediately preceding June 30.~~

44 ~~3. Each report must be submitted on a form provided by the~~
45 ~~Department and include, with respect to the period covered by the report:~~

46 ~~(a) The total proceeds received by the respective police department or~~
47 ~~the Clark County School District, as applicable, from the sales and use tax~~
48 ~~imposed pursuant to this act. {,}~~

49 ~~(b) A detailed description of the use of the proceeds, including, without~~
50 ~~limitation:~~

51 ~~(1) The total expenditures made by the respective police~~
52 ~~department or the Clark County School District, as applicable, from the~~
53 ~~sales and use tax imposed pursuant to this act. {,}~~

~~(2) The total number of police officers hired by the police department [and] or the total number of school police officers hired by the Clark County School District, as applicable, the number of those officers that are filling authorized, funded positions for new officers [i] within the respective police department or the Clark County School District, as applicable, and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department or the Clark County School District, as applicable, concerning the reporting of such information.~~

~~(3) A detailed analysis of the manner in which each expenditure:~~

~~(I) Conforms to all provisions of this act; and~~

~~(II) Does not replace or supplant funding which existed before October 1, 2005, for the police department [and] or which existed before July 1, 2019, for school police officers for the Clark County School District, as applicable.~~

~~(c) Any other information required to complete the form for the report.~~

~~4. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 12.5 or 13 of this act. (Deleted by amendment.)~~

Sec. 17. ~~[Section 14 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as amended by chapter 287, Statutes of Nevada 2009, at page 2097, is hereby amended to read as follows:~~

~~Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.~~

~~2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.~~

~~3. [The] Except as otherwise provided in section 12.5 of this act, the State Controller, acting upon the collection data furnished by the Department, shall monthly:~~

~~(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.~~

~~(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).~~

~~(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer. (Deleted by amendment.)~~

Sec. 18. ~~[Section 15 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 916, is hereby amended to read as follows:~~

~~Sec. 15. The Department may redistribute any proceeds received from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed [i] to the respective police departments within the County or the Clark County School District, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution. (Deleted by amendment.)~~

1 Sec. 19. ~~{Section 16 of the Clark County Sales and Use Tax Act of 2005,~~
2 ~~being chapter 249, Statutes of Nevada 2005, at page 917, is hereby amended to read~~
3 ~~as follows:~~

4 ~~Sec. 16. 1. The County Treasurer shall deposit money received~~
5 ~~from the State Controller pursuant to {paragraph (c) of subsection 3 of~~
6 ~~section 12.5 or 14 of this act into the County Treasury for credit to a fund~~
7 ~~created for the use of the proceeds received from the tax authorized by this~~
8 ~~act.~~

9 ~~2. The fund of the County created for the use of the proceeds received~~
10 ~~from the tax authorized by this act must be accounted for as a separate fund~~
11 ~~and not as a part of any other fund.~~

12 ~~3. The County Treasurer upon receipt of the money remitted to him or~~
13 ~~her pursuant to this section shall distribute it to the appropriate accounts in~~
14 ~~accordance with the allotments established pursuant to section 9 or 12.5 of~~
15 ~~this act. (Deleted by amendment.)~~

16 Sec. 20. ~~{Section 17 of the Clark County Sales and Use Tax Act of 2005,~~
17 ~~being chapter 249, Statutes of Nevada 2005, at page 917, is hereby amended to read~~
18 ~~as follows:~~

19 ~~Sec. 17. 1. To carry out the provisions of this act:~~

20 ~~(a) The City Treasurers of Boulder City, Henderson, Mesquite and~~
21 ~~North Las Vegas and the Las Vegas Metropolitan Police Department shall~~
22 ~~deposit the money received from the County Treasurer pursuant to~~
23 ~~{subsection 3 of section 16 of this act into a special revenue fund created~~
24 ~~for the use of the proceeds received from the tax authorized by this act.}~~
25 ~~and allocated among the police departments within the County pursuant~~
26 ~~to section 9 of this act.~~

27 ~~(b) If, pursuant to NRS 387.170, the Board of Trustees:~~

28 ~~(1) Has elected to establish and administer a separate account as~~
29 ~~the County School District Fund pursuant to NRS 354.603, the Board of~~
30 ~~Trustees shall:~~

31 ~~(I) Create a special revenue fund for the use of the proceeds~~
32 ~~received from the tax authorized by this act and allocated to the Clark~~
33 ~~County School District pursuant to section 12.5 of this act; and~~

34 ~~(II) Deposit the money received from the County Treasurer~~
35 ~~pursuant to section 16 of this act into the special revenue fund.~~

36 ~~(2) Has not elected to establish and administer a separate~~
37 ~~account as the County School District Fund pursuant to NRS 354.603,~~
38 ~~the County Treasurer shall:~~

39 ~~(I) Create a special revenue fund for the use of the proceeds~~
40 ~~received from the tax authorized by this act and allocated to the School~~
41 ~~District pursuant to section 12.5 of this act; and~~

42 ~~(II) Deposit the money received by the County Treasurer~~
43 ~~pursuant to section 16 of this act into the special revenue fund.~~

44 ~~2. Each special revenue fund created for the use of the proceeds~~
45 ~~received from the tax authorized by this act pursuant to subsection 1 must~~
46 ~~be accounted for as a separate fund and not as a part of any other fund.~~

47 ~~3. Interest earned on a special revenue fund created pursuant to~~
48 ~~subsection 1 must be credited to the fund. The money in each such fund~~
49 ~~must remain in the fund and must not revert to the County Treasury or the~~
50 ~~County School District Fund, as applicable, at the end of any fiscal year.~~

51 ~~(Deleted by amendment.)~~

1 Sec. 21. ~~{Section 20 of the Clark County Sales and Use Tax Act of 2005,~~
2 ~~being chapter 249, Statutes of Nevada 2005, at page 917, is hereby amended to read~~
3 ~~as follows:~~

4 ~~Sec. 20. In a proceeding arising from an ordinance imposing a tax~~
5 ~~pursuant to this act, the Department may act for and on behalf of the~~
6 ~~County { } or the Clark County School District, as appropriate for the~~
7 ~~proceeding.} (Deleted by amendment.)~~

8 Sec. 22. ~~{Section 21 of the Clark County Sales and Use Tax Act of 2005,~~
9 ~~being chapter 249, Statutes of Nevada 2005, at page 917, is hereby amended to read~~
10 ~~as follows:~~

11 ~~Sec. 21. 1. The powers conferred by this act are in addition and~~
12 ~~supplemental to, and not in substitution for, the powers conferred by any~~
13 ~~other law and the limitations imposed by this act do not affect the powers~~
14 ~~conferred by any other law.~~

15 ~~2. This act must not be construed to prevent the exercise of any power~~
16 ~~granted by any other law to the County or the Clark County School~~
17 ~~District, as applicable, or any officer, agent or employee of the County { }~~
18 ~~or the Clark County School District, as applicable.~~

19 ~~3. This act must not be construed to repeal or otherwise affect any~~
20 ~~other law or part thereof { }, except that if there is any conflict between the~~
21 ~~specific provisions of this act and the general provisions of any other law~~
22 ~~or part thereof, the specific provisions of this act control.~~

23 ~~4. This act is intended to provide a separate method of accomplishing~~
24 ~~the objectives of the act, but not an exclusive method.~~

25 ~~5. If any provision of this act, or application thereof to any person,~~
26 ~~thing or circumstance, is held invalid, the invalidity shall not affect the~~
27 ~~provisions or application of this act which can be given effect without the~~
28 ~~invalid provision or application, and to this end the provisions of this act~~
29 ~~are declared to be severable.} (Deleted by amendment.)~~

30 Sec. 23. ~~{Section 23 of chapter 249, Statutes of Nevada 2005, at page 917, is~~
31 ~~hereby amended to read as follows:~~

32 ~~Sec. 23. { } This act becomes effective:~~

33 ~~{(a)} 1. Upon passage and approval for the purposes of enacting~~
34 ~~ordinances and performing any other preparatory administrative tasks that~~
35 ~~are necessary to carry out the provisions of this act; and~~

36 ~~{(b)} 2. On October 1, 2005, for all other purposes.~~

37 ~~{2. This act expires by limitation on October 1, 2025.} (Deleted by~~
38 ~~amendment.)~~

39 Sec. 24. ~~{Section 23 of chapter 545, Statutes of Nevada 2007, at page 3428,~~
40 ~~is hereby amended to read as follows:~~

41 ~~Sec. 23. 1. This section and sections 3 to 22, inclusive, of this act~~
42 ~~become effective:~~

43 ~~(a) Upon passage and approval for the purposes of enacting ordinances~~
44 ~~and performing any other preparatory administrative tasks that are~~
45 ~~necessary to carry out the provisions of this act; and~~

46 ~~(b) On October 1, 2007, for all other purposes.~~

47 ~~2. Sections 1 and 2 of this act become effective on October 1, 2007,~~
48 ~~{ and expire by limitation on October 1, 2025. }~~

49 ~~3. Sections 3 to 22, inclusive, of this act expire by limitation on~~
50 ~~October 1, 2027.} (Deleted by amendment.)~~

1 Sec. 25. ~~{Section 28 of chapter 387, Statutes of Nevada 2009, at page 2104,~~
2 ~~is hereby amended to read as follows:~~

3 ~~Sec. 28. 1. This section and sections 4, 18 and 27 of this act~~
4 ~~become effective upon passage and approval.~~

5 ~~2. Sections 2, 3, 5, 6, 7, 9, 11 to 16, inclusive, and 19 to 26, inclusive,~~
6 ~~of this act become effective on July 1, 2009.~~

7 ~~3. Section 17 of this act becomes effective on July 1, 2011.~~

8 ~~4. [Section 20 of this act expires by limitation on September 30, 2025,~~

9 ~~5.] Section 25 of this act expires by limitation on September 30, 2027.~~

10 ~~16.] 5. Sections 7 and 9 of this act expire by limitation on September~~
11 ~~30, 2029.~~

12 ~~17.] 6. Sections 8 and 10 of this act become effective on October 1,~~
13 ~~2029.] (Deleted by amendment.)~~

14 Sec. 26. ~~{Section 3.5 of chapter 1, Statutes of Nevada 2013, 27th Special~~
15 ~~Session, at page 3, is hereby amended to read as follows:~~

16 ~~Sec. 3.5. 1. If the increase in the rate of the tax authorized by~~
17 ~~section 3 of this act is enacted pursuant to that section, the County~~
18 ~~Treasurer of Clark County shall not make any allotment to a police~~
19 ~~department pursuant to section 9 of the Clark County Sales and Use Tax~~
20 ~~Act of 2005 of any portion of the proceeds of the increase allocated among~~
21 ~~the police departments within Clark County pursuant to section 9 of the~~
22 ~~Clark County Sales and Use Tax Act of 2005, unless the County Treasurer~~
23 ~~is satisfied that the police department will meet the requirements of~~
24 ~~subsection 1 of section 3.7 of this act.~~

25 ~~2. If the County Treasurer determines pursuant to subsection 1 that an~~
26 ~~allotment will not be made to a police department, any other police~~
27 ~~department may apply to the County Treasurer requesting approval for the~~
28 ~~use by the requesting police department of the unused allotment. If the~~
29 ~~County Treasurer is satisfied that the requesting police department will~~
30 ~~meet the requirements of subsection 1 of section 3.7 of this act, the County~~
31 ~~Treasurer shall make the requested allotment to the requesting police~~
32 ~~department.] (Deleted by amendment.)~~

33 Sec. 27. ~~{Section 3.7 of chapter 1, Statutes of Nevada 2013, 27th Special~~
34 ~~Session, at page 3, is hereby amended to read as follows:~~

35 ~~Sec. 3.7. 1. A police department shall not expend any portion of an~~
36 ~~allotment made to it by the County Treasurer pursuant to section 3.5 of this~~
37 ~~act to employ and equip additional police officers unless:~~

38 ~~(a) The police department employs and equips an equal number of~~
39 ~~police officers in unfilled budgeted positions for police officers using~~
40 ~~money other than the proceeds of the increase in the rate of the tax~~
41 ~~authorized by section 3 of this act [1] and allocated among the police~~
42 ~~departments within Clark County pursuant to section 9 of the Clark~~
43 ~~County Sales and Use Tax Act of 2005; or~~

44 ~~(b) If, based on the number of budgeted positions for police officers in~~
45 ~~the police department for the 2013-2014 fiscal year, the police department~~
46 ~~does not have a sufficient number of unfilled budgeted positions for police~~
47 ~~officers to match all of the positions that are available for funding with the~~
48 ~~proceeds of the increase in the rate of the tax authorized by section 3 of this~~
49 ~~act [1] and allocated among the police departments within Clark County~~
50 ~~pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005,~~
51 ~~the police department applies for and is granted a waiver from the~~
52 ~~requirements of paragraph (a) by the Committee on Local Government~~
53 ~~Finance.~~

~~3. The Committee on Local Government Finance shall, on or before September 1 of each year, submit a report to the Legislative Commission that sets forth the number of waivers granted by the Committee pursuant to this section during the immediately preceding fiscal year and the reasons for each such waiver. (Deleted by amendment.)~~

Sec. 28. ~~{Section 4 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:~~

~~Sec. 4. This act becomes effective upon passage and approval, and expires by limitation on October 1, 2025.} (Deleted by amendment.)~~

Sec. 29. ~~{1. There is hereby appropriated from the State General Fund to the School Safety Account the sum of \$2,500,000 for the Fiscal Year 2019-2020,~~

~~2. The Department of Education shall transfer money from the appropriation made by subsection 1 to school districts and charter schools for block grants for contract or employee social workers or other licensed mental health workers in schools with identified needs. The money must not be used for administrative expenditures of the Department of Education;~~

~~3. For purposes of the allocations of sums for the block grant program described in subsection 2, eligible licensed social workers or other mental health workers include the following:~~

- ~~(a) Licensed Clinical Social Worker;~~
- ~~(b) Social Worker;~~
- ~~(c) Social Worker Intern with Supervision;~~
- ~~(d) Clinical Psychologist;~~
- ~~(e) Psychologist Intern with Supervision;~~
- ~~(f) Marriage and Family Therapist;~~
- ~~(g) Mental Health Counselor;~~
- ~~(h) Community Health Worker;~~
- ~~(i) School Based Health Centers; and~~
- ~~(j) Licensed Nurse;~~

~~4. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.225, inclusive, after separate consideration of the merits of each request.~~

~~5. Any remaining balance of the transfer made by subsection 2 for Fiscal Year 2019-2020 may be carried forward for Fiscal Year 2020-2021, must not be committed for expenditure after June 30, 2021, and does not revert to the State General Fund. (Deleted by amendment.)~~

Sec. 30. ~~{1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

For the Fiscal Year 2019-2020.....	\$1,500,000
For the Fiscal Year 2020-2021.....	\$4,000,000

~~2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants to public schools to employ and equip school resource officers or school police officers in schools with identified needs on the basis of data relating to school discipline, violence, climate and vulnerability and the ability of the public school to hire school resource officers or school police officers. The money must not be used for administrative expenditures of the Department of Education.~~

~~3. The money transferred pursuant to subsection 2:~~

- ~~(a) Must be accounted for separately from any other money received by the school districts and charter schools of this State and used only for the purposes specified in subsection 2.~~

~~(b) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations.~~

~~(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.~~

~~4. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2010-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 30.1. NRS 219A.140 is hereby amended to read as follows:

219A.140 1. To be eligible to serve on the Youth Legislature, a person:

(a) Must be:

(1) A resident of the senatorial district of the Senator who appoints him or her;

(2) Enrolled in a public school or private school located in the senatorial district of the Senator who appoints him or her; or

(3) A homeschooled child ~~for opt-in child~~ who is otherwise eligible to be enrolled in a public school in the senatorial district of the Senator who appoints him or her;

(b) Except as otherwise provided in subsection 3 of NRS 219A.150, must be:

(1) Enrolled in a public school or private school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed; or

(2) A homeschooled child ~~for opt-in child~~ who is otherwise eligible to enroll in a public school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed; and

(c) Must not be related by blood, adoption or marriage within the third degree of consanguinity or affinity to the Senator who appoints him or her or to any member of the Assembly who collaborated to appoint him or her.

2. If, at any time, a person appointed to the Youth Legislature changes his or her residency or changes his or her school of enrollment in such a manner as to render the person ineligible under his or her original appointment, the person shall inform the Board, in writing, within 30 days after becoming aware of such changed facts.

3. A person who wishes to be appointed or reappointed to the Youth Legislature must submit an application on the form prescribed pursuant to subsection 4 to the Senator of the senatorial district in which the person resides, is enrolled in a public school or private school or, if the person is a homeschooled child, ~~for opt-in child~~ the senatorial district in which he or she is otherwise eligible to be enrolled in a public school. A person may not submit an application to more than one Senator in a calendar year.

4. The Board shall prescribe a form for applications submitted pursuant to this section, which must require the signature of the principal of the school in which the applicant is enrolled or, if the applicant is a homeschooled child, ~~for opt-in child~~ the signature of a member of the community in which the applicant resides other than a relative of the applicant.

Sec. 30.15. NRS 219A.150 is hereby amended to read as follows:

219A.150 1. A position on the Youth Legislature becomes vacant upon:

(a) The death or resignation of a member.

(b) The absence of a member for any reason from:

(1) Two meetings of the Youth Legislature, including, without limitation, meetings conducted in person, meetings conducted by teleconference, meetings conducted by videoconference and meetings conducted by other electronic means;

(2) Two activities of the Youth Legislature;
 (3) Two event days of the Youth Legislature; or
 (4) Any combination of absences from meetings, activities or event days of the Youth Legislature, if the combination of absences therefrom equals two or more,
 unless the absences are, as applicable, excused by the Chair or Vice Chair of the Board.

(c) A change of residency or a change of the school of enrollment of a member which renders that member ineligible under his or her original appointment.

2. In addition to the provisions of subsection 1, a position on the Youth Legislature becomes vacant if:

(a) A member of the Youth Legislature graduates from high school or otherwise ceases to attend public school or private school for any reason other than to become a homeschooled child; ~~for opt-in child~~ or

(b) A member of the Youth Legislature who is a homeschooled child ~~for opt-in child~~ completes an educational plan of instruction for grade 12 or otherwise ceases to be a homeschooled child ~~for opt-in child~~ for any reason other than to enroll in a public school or private school.

3. A vacancy on the Youth Legislature must be filled:

(a) For the remainder of the unexpired term in the same manner as the original appointment, except that, if the remainder of the unexpired term is less than 1 year, the member of the Senate who made the original appointment may appoint a person who:

(1) Is enrolled in a public school or private school in this State in grade 12 or who is a homeschooled child ~~for opt-in child~~ who is otherwise eligible to enroll in a public school in this State in grade 12; and

(2) Satisfies the qualifications set forth in paragraphs (a) and (c) of subsection 1 of NRS 219A.140.

(b) Insofar as is practicable, within 30 days after the date on which the vacancy occurs.

4. As used in this section, "event day" means any single calendar day on which an official, scheduled event of the Youth Legislature is held, including, without limitation, a course of instruction, a course of orientation, a meeting, a seminar or any other official, scheduled activity.

Sec. 30.2. NRS 385.007 is hereby amended to read as follows:

385.007 As used in this title, unless the context otherwise requires:

1. "Achievement charter school" means a public school operated by a charter management organization, as defined in NRS 388B.020, an educational management organization, as defined in NRS 388B.030, or other person pursuant to a contract with the Achievement School District pursuant to NRS 388B.210 and subject to the provisions of chapter 388B of NRS.

2. "Department" means the Department of Education.

3. "English learner" has the meaning ascribed to it in 20 U.S.C. § 7801(20).

4. "Homeschooled child" means a child who receives instruction at home and who is exempt from compulsory attendance pursuant to NRS 392.070 ~~but does not include an opt-in child~~.

5. "Local school precinct" has the meaning ascribed to it in NRS 388G.535.

6. ~~"Opt-in child" means a child for whom an education savings account has been established pursuant to NRS 353B.850, who is not enrolled full time in a public or private school and who receives all or a portion of his or her instruction from a participating entity as defined in NRS 353B.750.~~

7. "Public schools" means all kindergartens and elementary schools, junior high schools and middle schools, high schools, charter schools and any other

1 schools, classes and educational programs which receive their support through
2 public taxation and, except for charter schools, whose textbooks and courses of
3 study are under the control of the State Board.

4 ~~18.1~~ 7. "School bus" has the meaning ascribed to it in NRS 484A.230.

5 ~~19.1~~ 8. "State Board" means the State Board of Education.

6 ~~110.1~~ 9. "University school for profoundly gifted pupils" has the meaning
7 ascribed to it in NRS 388C.040.

8 **Sec. 30.25. NRS 385B.060 is hereby amended to read as follows:**

9 385B.060 1. The Nevada Interscholastic Activities Association shall adopt
10 rules and regulations in the manner provided for state agencies by chapter 233B of
11 NRS as may be necessary to carry out the provisions of this chapter. The
12 regulations must include provisions governing the eligibility and participation of
13 homeschooled children ~~and opt-in children~~ in interscholastic activities and events.
14 In addition to the regulations governing eligibility, ~~+~~

15 ~~(a) A~~ a homeschooled child who wishes to participate must have on file with
16 the school district in which the child resides a current notice of intent of a
17 homeschooled child to participate in programs and activities pursuant to NRS
18 388D.070.

19 ~~((b) An opt-in child who wishes to participate must have on file with the school~~
20 ~~district in which the child resides a current notice of intent of an opt-in child to~~
21 ~~participate in programs and activities pursuant to NRS 388D.140.)~~

22 2. The Nevada Interscholastic Activities Association shall adopt regulations
23 setting forth:

24 (a) The standards of safety for each event, competition or other activity
25 engaged in by a spirit squad of a school that is a member of the Nevada
26 Interscholastic Activities Association, which must substantially comply with the
27 spirit rules of the National Federation of State High School Associations, or its
28 successor organization; and

29 (b) The qualifications required for a person to become a coach of a spirit
30 squad.

31 3. If the Nevada Interscholastic Activities Association intends to adopt, repeal
32 or amend a policy, rule or regulation concerning or affecting homeschooled
33 children, the Association shall consult with the Northern Nevada Homeschool
34 Advisory Council and the Southern Nevada Homeschool Advisory Council, or their
35 successor organizations, to provide those Councils with a reasonable opportunity to
36 submit data, opinions or arguments, orally or in writing, concerning the proposal or
37 change. The Association shall consider all written and oral submissions respecting
38 the proposal or change before taking final action.

39 4. As used in this section, "spirit squad" means any team or other group of
40 persons that is formed for the purpose of:

41 (a) Leading cheers or rallies to encourage support for a team that participates in
42 a sport that is sanctioned by the Nevada Interscholastic Activities Association; or

43 (b) Participating in a competition against another team or other group of
44 persons to determine the ability of each team or group of persons to engage in an
45 activity specified in paragraph (a).

46 **Sec. 30.3. NRS 385B.150 is hereby amended to read as follows:**

47 385B.150 1. A homeschooled child must be allowed to participate in
48 interscholastic activities and events in accordance with the regulations adopted by
49 the Nevada Interscholastic Activities Association pursuant to NRS 385B.060 if a
50 notice of intent of a homeschooled child to participate in programs and activities is
51 filed for the child with the school district in which the child resides for the current
52 school year pursuant to NRS 388D.070.

2. ~~An opt-in child must be allowed to participate in interscholastic activities and events in accordance with the regulations adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.060 if a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 388D.140.~~

~~3.1~~ The provisions of this chapter and the regulations adopted pursuant thereto that apply to pupils enrolled in public schools who participate in interscholastic activities and events apply in the same manner to homeschooled children ~~and opt-in children~~ who participate in interscholastic activities and events, including, without limitation, provisions governing:

- (a) Eligibility and qualifications for participation;
- (b) Fees for participation;
- (c) Insurance;
- (d) Transportation;
- (e) Requirements of physical examination;
- (f) Responsibilities of participants;
- (g) Schedules of events;
- (h) Safety and welfare of participants;
- (i) Eligibility for awards, trophies and medals;
- (j) Conduct of behavior and performance of participants; and
- (k) Disciplinary procedures.

Sec. 30.35. NRS 385B.160 is hereby amended to read as follows:

385B.160 No challenge may be brought by the Nevada Interscholastic Activities Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or private school, or any other entity or person claiming that an interscholastic activity or event is invalid because homeschooled children ~~for opt-in children~~ are allowed to participate in the interscholastic activity or event.

Sec. 30.4. NRS 385B.170 is hereby amended to read as follows:

385B.170 A school district, public school or private school shall not prescribe any regulations, rules, policies, procedures or requirements governing the:

1. Eligibility of homeschooled children ~~for opt-in children~~ to participate in interscholastic activities and events pursuant to this chapter; or
2. Participation of homeschooled children ~~for opt-in children~~ in interscholastic activities and events pursuant to this chapter, that are more restrictive than the provisions governing eligibility and participation prescribed by the Nevada Interscholastic Activities Association pursuant to NRS 385B.060.

Sec. 30.45. NRS 387.045 is hereby amended to read as follows:

387.045 ~~Except as otherwise provided in NRS 353B.700 to 353B.930, inclusive,~~

1. No portion of the public school funds or of the money specially appropriated for the purpose of public schools shall be devoted to any other object or purpose.
2. No portion of the public school funds shall in any way be segregated, divided or set apart for the use or benefit of any sectarian or secular society or association.

Sec. 30.5. NRS 387.1223 is hereby amended to read as follows:

387.1223 1. On or before October 1, January 1, April 1 and July 1, each school district shall report to the Department, in the form prescribed by the Department, the average daily enrollment of pupils pursuant to this section for the immediately preceding quarter of the school year.

1 2. Except as otherwise provided in subsection 3, basic support of each school
2 district must be computed by:

3 (a) Multiplying the basic support guarantee per pupil established for that
4 school district for that school year by the sum of:

5 (1) The count of pupils enrolled in kindergarten and grades 1 to 12,
6 inclusive, based on the average daily enrollment of those pupils during the quarter,
7 including, without limitation, the count of pupils who reside in the county and are
8 enrolled in any charter school and the count of pupils who are enrolled in a
9 university school for profoundly gifted pupils located in the county.

10 (2) The count of pupils not included under subparagraph (1) who are
11 enrolled full-time in a program of distance education provided by that school
12 district, a charter school located within that school district or a university school for
13 profoundly gifted pupils, based on the average daily enrollment of those pupils
14 during the quarter.

15 (3) The count of pupils who reside in the county and are enrolled:

16 (I) In a public school of the school district and are concurrently
17 enrolled part-time in a program of distance education provided by another school
18 district or a charter school, ~~for receiving a portion of his or her instruction from a~~
19 ~~participating entity, as defined in NRS 353B.750,~~ based on the average daily
20 enrollment of those pupils during the quarter.

21 (II) In a charter school and are concurrently enrolled part-time in a
22 program of distance education provided by a school district or another charter
23 school, ~~for receiving a portion of his or her instruction from a participating entity,~~
24 ~~as defined in NRS 353B.750,~~ based on the average daily enrollment of those pupils
25 during the quarter.

26 (4) The count of pupils not included under subparagraph (1), (2) or (3),
27 who are receiving special education pursuant to the provisions of NRS 388.417 to
28 388.469, inclusive, and 388.5251 to 388.5267, inclusive, based on the average daily
29 enrollment of those pupils during the quarter and excluding the count of pupils who
30 have not attained the age of 5 years and who are receiving special education
31 pursuant to NRS 388.435.

32 (5) Six-tenths the count of pupils who have not attained the age of 5 years
33 and who are receiving special education pursuant to NRS 388.435, based on the
34 average daily enrollment of those pupils during the quarter.

35 (6) The count of children detained in facilities for the detention of children,
36 alternative programs and juvenile forestry camps receiving instruction pursuant to
37 the provisions of NRS 388.550, 388.560 and 388.570, based on the average daily
38 enrollment of those pupils during the quarter.

39 (7) The count of pupils who are enrolled in classes for at least one semester
40 pursuant to subsection 1 of NRS 388A.471, subsection 1 of NRS 388A.474,
41 subsection 1 of NRS 392.074, or subsection 1 of NRS 388B.280 or any regulations
42 adopted pursuant to NRS 388B.060 that authorize a child who is enrolled at a
43 public school of a school district or a private school or a homeschooled child to
44 participate in a class at an achievement charter school, based on the average daily
45 enrollment of pupils during the quarter and expressed as a percentage of the total
46 time services are provided to those pupils per school day in proportion to the total
47 time services are provided during a school day to pupils who are counted pursuant
48 to subparagraph (1).

49 (b) Adding the amounts computed in paragraph (a).

50 3. Except as otherwise provided in subsection 4, if the enrollment of pupils in
51 a school district or a charter school that is located within the school district based
52 on the average daily enrollment of pupils during the quarter of the school year is
53 less than or equal to 95 percent of the enrollment of pupils in the same school

1 district or charter school based on the average daily enrollment of pupils during the
2 same quarter of the immediately preceding school year, the enrollment of pupils
3 during the same quarter of the immediately preceding school year must be used for
4 purposes of making the quarterly apportionments from the State Distributive School
5 Account to that school district or charter school pursuant to NRS 387.124.

6 4. If the Department determines that a school district or charter school
7 deliberately causes a decline in the enrollment of pupils in the school district or
8 charter school to receive a higher apportionment pursuant to subsection 3,
9 including, without limitation, by eliminating grades or moving into smaller
10 facilities, the enrollment number from the current school year must be used for
11 purposes of apportioning money from the State Distributive School Account to that
12 school district or charter school pursuant to NRS 387.124.

13 5. The Department shall prescribe a process for reconciling the quarterly
14 reports submitted pursuant to subsection 1 to account for pupils who leave the
15 school district or a public school during the school year.

16 6. Pupils who are excused from attendance at examinations or have completed
17 their work in accordance with the rules of the board of trustees must be credited
18 with attendance during that period.

19 7. Pupils who are incarcerated in a facility or institution operated by the
20 Department of Corrections must not be counted for the purpose of computing basic
21 support pursuant to this section. The average daily attendance for such pupils must
22 be reported to the Department of Education.

23 8. Pupils who are enrolled in courses which are approved by the Department
24 as meeting the requirements for an adult to earn a high school diploma must not be
25 counted for the purpose of computing basic support pursuant to this section.

26 **Sec. 30.55. NRS 387.124 is hereby amended to read as follows:**

27 387.124 Except as otherwise provided in this section and NRS 387.1241,
28 387.1242 and 387.528:

29 1. On or before August 1, November 1, February 1 and May 1 of each year,
30 the Superintendent of Public Instruction shall apportion the State Distributive
31 School Account in the State General Fund among the several county school
32 districts, charter schools and university schools for profoundly gifted pupils in
33 amounts approximating one-fourth of their respective yearly apportionments less
34 any amount set aside as a reserve. Except as otherwise provided in NRS 387.1244,
35 the apportionment to a school district, computed on a yearly basis, equals the
36 difference between the basic support and the local funds available pursuant to NRS
37 387.163, minus all the funds attributable to pupils who reside in the county but
38 attend a charter school, all the funds attributable to pupils who reside in the county
39 and are enrolled full-time or part-time in a program of distance education provided
40 by another school district or a charter school ~~in~~ **and** all the funds attributable to
41 pupils who are enrolled in a university school for profoundly gifted pupils located
42 in the county. ~~and all the funds deposited in education savings accounts~~
43 ~~established on behalf of children who reside in the county pursuant to NRS~~
44 ~~353B.700 to 353B.910, inclusive.~~ No apportionment may be made to a school
45 district if the amount of the local funds exceeds the amount of basic support.

46 2. Except as otherwise provided in NRS 387.1244, in addition to the
47 apportionments made pursuant to this section, if a pupil is enrolled part-time in a
48 program of distance education and part-time in a:

49 (a) Public school other than a charter school, an apportionment must be made
50 to the school district in which the pupil resides. The school district in which the
51 pupil resides shall allocate a percentage of the apportionment to the school district
52 or charter school that provides the program of distance education in the amount set
53 forth in the agreement entered into pursuant to NRS 388.854.

(b) Charter school, an apportionment must be made to the charter school in which the pupil is enrolled. The charter school in which the pupil is enrolled shall allocate a percentage of the apportionment to the school district or charter school that provides the program of distance education in the amount set forth in the agreement entered into pursuant to NRS 388.858.

3. The Superintendent of Public Instruction shall apportion, on or before August 1 of each year, the money designated as the "Nutrition State Match" pursuant to NRS 387.105 to those school districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district's reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

4. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

Sec. 30.6. NRS 388.850 is hereby amended to read as follows:

388.850 1. A pupil may enroll in a program of distance education unless:

- (a) Pursuant to this section or other specific statute, the pupil is not eligible for enrollment or the pupil's enrollment is otherwise prohibited;
- (b) The pupil fails to satisfy the qualifications and conditions for enrollment adopted by the State Board pursuant to NRS 388.874; or
- (c) The pupil fails to satisfy the requirements of the program of distance education.

2. A child who is exempt from compulsory attendance and is enrolled in a private school pursuant to chapter 394 of NRS or is being homeschooled is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1.

~~3. An opt-in child who is exempt from compulsory attendance is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1, unless the opt-in child receives only a portion of his or her instruction from a participating entity as authorized pursuant to NRS 352B.850.~~

~~4. If a pupil who is prohibited from attending public school pursuant to NRS 392.264 enrolls in a program of distance education, the enrollment and attendance of that pupil must comply with all requirements of NRS 62F.100 to 62F.150, inclusive, and 392.251 to 392.271, inclusive.~~

Sec. 30.65. NRS 388A.471 is hereby amended to read as follows:

388A.471 1. Except as otherwise provided in subsection 2, upon the request of a parent or legal guardian of a child who is enrolled in a public school of a school district or a private school, or a parent or legal guardian of a homeschooled child, ~~(or opt-in child),~~ the governing body of the charter school shall authorize the child to participate in a class that is not otherwise available to the child at his or her school or homeschool ~~(or from his or her participating entity, as defined in NRS 352B.750),~~ or participate in an extracurricular activity at the charter school if:

- (a) Space for the child in the class or extracurricular activity is available;
- (b) The parent or legal guardian demonstrates to the satisfaction of the governing body that the child is qualified to participate in the class or extracurricular activity; and
- (c) The child is ~~at~~

1 ~~(1) A~~ a homeschooled child and a notice of intent of a homeschooled
2 child to participate in programs and activities is filed for the child with the school
3 district in which the child resides for the current school year pursuant to NRS
4 388D.070. ~~for~~

5 ~~(2) An opt-in child and a notice of intent of an opt-in child to participate in~~
6 ~~programs and activities is filed for the child with the school district in which the~~
7 ~~child resides for the current school year pursuant to NRS 388D.140.1~~

8 2. If the governing body of a charter school authorizes a child to participate in
9 a class or extracurricular activity pursuant to subsection 1, the governing body is
10 not required to provide transportation for the child to attend the class or activity. A
11 charter school shall not authorize such a child to participate in a class or activity
12 through a program of distance education provided by the charter school pursuant to
13 NRS 388.820 to 388.874, inclusive.

14 3. The governing body of a charter school may revoke its approval for a child
15 to participate in a class or extracurricular activity at a charter school pursuant to
16 subsection 1 if the governing body determines that the child has failed to comply
17 with applicable statutes, or applicable rules and regulations. If the governing body
18 so revokes its approval, neither the governing body nor the charter school is liable
19 for any damages relating to the denial of services to the child.

20 4. The governing body of a charter school may, before authorizing a
21 homeschooled child ~~(or opt-in child)~~ to participate in a class or extracurricular
22 activity pursuant to subsection 1, require proof of the identity of the child,
23 including, without limitation, the birth certificate of the child or other
24 documentation sufficient to establish the identity of the child.

25 **Sec. 30.7. NRS 388B.290 is hereby amended to read as follows:**

26 388B.290 1. During the sixth year that a school operates as an achievement
27 charter school, the Department shall evaluate the pupil achievement and school
28 performance of the school. The Executive Director shall provide the Department
29 with such information and assistance as the Department determines necessary to
30 perform such an evaluation. If, as a result of such an evaluation, the Department
31 determines:

32 (a) That the achievement charter school has made adequate improvement in
33 pupil achievement and school performance, the governing body of the achievement
34 charter school must decide whether to:

35 (1) Convert to a public school under the governance of the board of
36 trustees of the school district in which the school is located;

37 (2) Seek to continue as a charter school subject to the provisions of chapter
38 388A of NRS by applying to the board of trustees of the school district in which the
39 school is located, the State Public Charter School Authority or a college or
40 university within the Nevada System of Higher Education to sponsor the charter
41 school pursuant to NRS 388A.220; or

42 (3) Remain an achievement charter school for at least 6 more years.

43 (b) That the achievement charter school has not made adequate improvement
44 in pupil achievement and school performance, the Department shall direct the
45 Executive Director to notify the parent or legal guardian of each pupil enrolled in
46 the achievement charter school that the achievement charter school has not made
47 adequate improvement in pupil achievement and school performance. Such notice
48 must include, without limitation, information regarding:

49 (1) Public schools which the pupil may be eligible to attend, including,
50 without limitation, charter schools, programs of distance education offered pursuant
51 to NRS 388.820 to 388.874, inclusive, and alternative programs for the education of
52 pupils at risk of dropping out of school pursuant to NRS 388.537;

1 ~~(2) The opportunity for the parent to establish an education savings~~
2 ~~account pursuant to NRS 352B.850 and enroll the pupil in a private school, have~~
3 ~~the pupil become an opt-in child or provide for the education of the pupil in any~~
4 ~~other manner authorized by NRS 352B.900;~~

5 ~~(3)~~ Any other alternatives for the education of the pupil that are available
6 in this State; and

7 ~~(4)~~ (3) The actions that may be considered by the Department with
8 respect to the achievement charter school and the manner in which the parent may
9 provide input.

10 2. Upon deciding that the achievement charter school has not made adequate
11 improvement in pupil achievement and school performance pursuant to paragraph
12 (b) of subsection 1, the Department must decide whether to:

13 (a) Convert the achievement charter school to a public school under the
14 governance of the board of trustees of the school district in which the school is
15 located; or

16 (b) Continue to operate the school as an achievement charter school for at least
17 6 more years.

18 3. If the Department decides to continue to operate a school as an
19 achievement charter school pursuant to subsection 2, the Executive Director must:

20 (a) Terminate the contract with the charter management organization,
21 educational management organization or other person that operated the
22 achievement charter school;

23 (b) Enter into a contract with a different charter management organization,
24 educational management organization or other person to operate the achievement
25 charter school after complying with the provisions of NRS 388B.210;

26 (c) Require the charter management organization, educational management
27 organization or other person with whom the Executive Director enters into a
28 contract to operate the achievement charter school to appoint a new governing body
29 of the achievement charter school in the manner provided pursuant to NRS
30 388B.220, and must not reappoint more than 40 percent of the members of the
31 previous governing body; and

32 (d) Evaluate the pupil achievement and school performance of such a school at
33 least each 3 years of operation thereafter.

34 4. If an achievement charter school is converted to a public school under the
35 governance of the board of trustees of a school district pursuant to paragraph (a) of
36 subsection 1, the board of trustees must employ any teacher, administrator or
37 paraprofessional who wishes to continue employment at the school and meets the
38 requirements of chapter 391 of NRS to teach at the school. Any administrator or
39 teacher employed at such a school who was employed by the board of trustees as a
40 postprobationary employee before the school was converted to an achievement
41 charter school and who wishes to continue employment at the school after it is
42 converted back into a public school must be employed as a postprobationary
43 employee.

44 5. If an achievement charter school becomes a charter school sponsored by
45 the school district in which the charter school is located, the State Public Charter
46 School Authority or a college or university within the Nevada System of Higher
47 Education pursuant to paragraph (a) of subsection 1, the school is subject to the
48 provisions of chapter 388A of NRS and the continued operation of the charter
49 school in the building in which the school has been operating is subject to the
50 provisions of NRS 388A.378.

51 6. As used in this section, "postprobationary employee" has the meaning
52 ascribed to it in NRS 391.650.

53 Sec. 30.75. NRS 388D.270 is hereby amended to read as follows:

1 388D.270 1. A scholarship organization must:

2 (a) Be exempt from taxation pursuant to section 501(c)(3) of the Internal
3 Revenue Code, 26 U.S.C. § 501(c)(3).

4 (b) Not own or operate any school in this State, including, without limitation, a
5 private school, which receives any grant money pursuant to the Nevada Educational
6 Choice Scholarship Program.

7 (c) Accept donations from taxpayers and other persons and may also solicit and
8 accept gifts and grants.

9 (d) Not expend more than 5 percent of the total amount of money accepted
10 pursuant to paragraph (c) to pay its administrative expenses.

11 (e) Provide grants on behalf of pupils who are members of a household that has
12 a household income which is not more than 300 percent of the federally designated
13 level signifying poverty to allow those pupils to attend schools in this State chosen
14 by the parents or legal guardians of those pupils, including, without limitation,
15 private schools. The total amount of a grant provided by the scholarship
16 organization on behalf of a pupil pursuant to this paragraph must not exceed \$7,755
17 for Fiscal Year 2015-2016.

18 (f) Not limit to a single school the schools for which it provides grants.

19 (g) Except as otherwise provided in paragraph (e), not limit to specific pupils
20 the grants provided pursuant to that paragraph.

21 2. The maximum amount of a grant provided by the scholarship organization
22 pursuant to paragraph (e) of subsection 1 must be adjusted on July 1 of each year
23 for the fiscal year beginning that day and ending June 30 in a rounded dollar
24 amount corresponding to the percentage of increase in the Consumer Price Index
25 (All Items) published by the United States Department of Labor for the preceding
26 calendar year. On May 1 of each year, the Department of Education shall determine
27 the amount of increase required by this subsection, establish the adjusted amounts
28 to take effect on July 1 of that year and notify each scholarship organization of the
29 adjusted amounts. The Department of Education shall also post the adjusted
30 amounts on its Internet website.

31 3. A grant provided on behalf of a pupil pursuant to subsection 1 must be paid
32 directly to the school chosen by the parent or legal guardian of the pupil.

33 4. A scholarship organization shall provide each taxpayer and other person
34 who makes a donation, gift or grant of money to the scholarship organization
35 pursuant to paragraph (c) of subsection 1 with an affidavit, signed under penalty of
36 perjury, which includes, without limitation:

37 (a) A statement that the scholarship organization satisfies the requirements set
38 forth in subsection 1; and

39 (b) The total amount of the donation, gift or grant made to the scholarship
40 organization.

41 5. Each school in which a pupil is enrolled for whom a grant is provided by a
42 scholarship organization shall maintain a record of the academic progress of the
43 pupil. The record must be maintained in such a manner that the information may be
44 aggregated and reported for all such pupils if reporting is required by the
45 regulations of the Department of Education.

46 6. A scholarship organization shall not use a donation for which a taxpayer
47 received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant
48 pursuant to this section on behalf of a pupil unless the scholarship organization
49 used a donation for which the taxpayer received a tax credit pursuant to NRS
50 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of the
51 pupil for the immediately preceding school year or reasonably expects to be able
52 to provide a grant pursuant to this section on behalf of the pupil in at least the
53 same amount for each school year until the pupil graduates from high school. A

scholarship organization that violates this subsection shall repay to the Department of Taxation the amount of the tax credit received by the taxpayer pursuant to NRS 363A.139 or 363B.119, as applicable.

7. The Department of Education:

(a) Shall adopt regulations prescribing the contents of and procedures for applications for grants provided pursuant to subsection 1.

(b) May adopt such other regulations as the Department determines necessary to carry out the provisions of this section.

~~17. 8.~~ 8. As used in this section, "private school" has the meaning ascribed to it in NRS 394.103.

Sec. 30.8. NRS 392.033 is hereby amended to read as follows:

392.033 1. The State Board shall adopt regulations which prescribe the courses of study required for promotion to high school, including, without limitation, English language arts, mathematics, science and social studies. The regulations may include the credits to be earned in each course.

2. Except as otherwise provided in subsection 4, the board of trustees of a school district shall not promote a pupil to high school if the pupil does not complete the course of study or credits required for promotion. The board of trustees of the school district in which the pupil is enrolled may provide programs of remedial study to complete the courses of study required for promotion to high school.

3. The board of trustees of each school district shall adopt a procedure for evaluating the course of study or credits completed by a pupil who transfers to a junior high or middle school from a junior high or middle school in this State or from a school outside of this State.

4. The board of trustees of each school district shall adopt a policy that allows a pupil who has not completed the courses of study or credits required for promotion to high school to be placed on academic probation and to enroll in high school. A pupil who is on academic probation pursuant to this subsection shall complete appropriate remediation in the subject areas that the pupil failed to pass. The policy must include the criteria for eligibility of a pupil to be placed on academic probation. A parent or guardian may elect not to place his or her child on academic probation but to remain in grade 8.

5. A homeschooled child ~~(or opt-in child)~~ who enrolls in a public high school shall, upon initial enrollment:

(a) Provide documentation sufficient to prove that the child has successfully completed the courses of study required for promotion to high school through an accredited program of homeschool study recognized by the board of trustees of the school district. ~~(or from a participating entity, as applicable.)~~

(b) Demonstrate proficiency in the courses of study required for promotion to high school through an examination prescribed by the board of trustees of the school district; or

(c) Provide other proof satisfactory to the board of trustees of the school district demonstrating competency in the courses of study required for promotion to high school.

~~16. As used in this section, "participating entity" has the meaning ascribed to it in NRS 353B.750.~~

Sec. 30.85. NRS 392.070 is hereby amended to read as follows:

392.070 Attendance of a child required by the provisions of NRS 392.040 must be excused when:

1. The child is enrolled in a private school pursuant to chapter 394 of NRS; or

1 2. A parent of the child chooses to provide education to the child and files a
2 notice of intent to homeschool the child with the superintendent of schools of the
3 school district in which the child resides in accordance with NRS 388D.020. ~~for~~

4 ~~3. The child is an opt-in child and notice of such has been provided to the~~
5 ~~school district in which the child resides or the charter school in which the child~~
6 ~~was previously enrolled, as applicable, in accordance with NRS 388D.110.1~~

7 **Sec. 30.9. NRS 392.072 is hereby amended to read as follows:**

8 392.072 1. The board of trustees of each school district shall provide
9 programs of special education and related services for homeschooled children. The
10 programs of special education and related services required by this section must be
11 made available;

12 (a) Only if a child would otherwise be eligible for participation in programs of
13 special education and related services pursuant to NRS 388.417 to 388.469,
14 inclusive, or NRS 388.5251 to 388.5267, inclusive;

15 (b) In the same manner that the board of trustees provides, as required by 20
16 U.S.C. § 1412, for the participation of pupils with disabilities who are enrolled in
17 private schools within the school district voluntarily by their parents or legal
18 guardians; and

19 (c) In accordance with the same requirements set forth in 20 U.S.C. § 1412
20 which relate to the participation of pupils with disabilities who are enrolled in
21 private schools within the school district voluntarily by their parents or legal
22 guardians.

23 2. The programs of special education and related services required by
24 subsection 1 may be offered at a public school or another location that is
25 appropriate.

26 3. The board of trustees of a school district may, before providing programs
27 of special education and related services to a homeschooled child ~~for opt-in child~~
28 pursuant to subsection 1, require proof of the identity of the child, including,
29 without limitation, the birth certificate of the child or other documentation
30 sufficient to establish the identity of the child.

31 4. The Department shall adopt such regulations as are necessary for the
32 boards of trustees of school districts to provide the programs of special education
33 and related services required by subsection 1.

34 5. As used in this section, "related services" has the meaning ascribed to it in
35 20 U.S.C. § 1401.

36 **Sec. 30.93. NRS 392.074 is hereby amended to read as follows:**

37 392.074 1. Except as otherwise provided in subsection 1 of NRS 392.072
38 for programs of special education and related services, upon the request of a parent
39 or legal guardian of a child who is enrolled in a private school or a parent or legal
40 guardian of a homeschooled child, ~~for opt-in child~~, the board of trustees of the
41 school district in which the child resides shall authorize the child to participate in
42 any classes and extracurricular activities, excluding sports, at a public school within
43 the school district if:

44 (a) Space for the child in the class or extracurricular activity is available;

45 (b) The parent or legal guardian demonstrates to the satisfaction of the board of
46 trustees that the child is qualified to participate in the class or extracurricular
47 activity; and

48 (c) If the child is ~~h~~

49 ~~(1) A~~ a homeschooled child, a notice of intent of a homeschooled child to
50 participate in programs and activities is filed for the child with the school district
51 for the current school year pursuant to NRS 388D.070. ~~for~~

~~(2) An opt-in child, a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 388D.140.~~

↪ If the board of trustees of a school district authorizes a child to participate in a class or extracurricular activity, excluding sports, pursuant to this subsection, the board of trustees is not required to provide transportation for the child to attend the class or activity. A homeschooled child ~~for opt-in child~~ must be allowed to participate in interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS and interscholastic activities and events, including sports, pursuant to subsection 3.

2. The board of trustees of a school district may revoke its approval for a pupil to participate in a class or extracurricular activity at a public school pursuant to subsection 1 if the board of trustees or the public school determines that the pupil has failed to comply with applicable statutes, or applicable rules and regulations of the board of trustees. If the board of trustees revokes its approval, neither the board of trustees nor the public school is liable for any damages relating to the denial of services to the pupil.

3. In addition to those interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS, a homeschooled child ~~for opt-in child~~ must be allowed to participate in interscholastic activities and events, including sports, if a notice of intent of a homeschooled child ~~for opt-in child~~ to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 388D.070 ~~for 388D.140, as applicable.~~ A homeschooled child ~~for opt-in child~~ who participates in interscholastic activities and events at a public school pursuant to this subsection must participate within the school district of the child's residence through the public school which the child is otherwise zoned to attend. Any rules or regulations that apply to pupils enrolled in public schools who participate in interscholastic activities and events, including sports, apply in the same manner to homeschooled children ~~and opt-in children~~ who participate in interscholastic activities and events, including, without limitation, provisions governing:

- (a) Eligibility and qualifications for participation;
- (b) Fees for participation;
- (c) Insurance;
- (d) Transportation;
- (e) Requirements of physical examination;
- (f) Responsibilities of participants;
- (g) Schedules of events;
- (h) Safety and welfare of participants;
- (i) Eligibility for awards, trophies and medals;
- (j) Conduct of behavior and performance of participants; and
- (k) Disciplinary procedures.

4. If a homeschooled child ~~for opt-in child~~ participates in interscholastic activities and events pursuant to subsection 3:

(a) No challenge may be brought by the Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or a private school, or any other entity or person claiming that an interscholastic activity or event is invalid because the homeschooled child ~~for opt-in child~~ is allowed to participate.

(b) Neither the school district nor a public school may prescribe any regulations, rules, policies, procedures or requirements governing the eligibility or participation of the homeschooled child ~~for opt-in child~~ that are more restrictive

than the provisions governing the eligibility and participation of pupils enrolled in public schools.

5. The board of trustees of a school district:

(a) May, before authorizing a homeschooled child ~~(or opt-in child)~~ to participate in a class or extracurricular activity, excluding sports, pursuant to subsection 1, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

(b) Shall, before allowing a homeschooled child ~~(or opt-in child)~~ to participate in interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS and interscholastic activities and events pursuant to subsection 3, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

Sec. 30.95. NRS 392.466 is hereby amended to read as follows:

392.466 1. Except as otherwise provided in this section, any pupil who commits a battery which results in the bodily injury of an employee of the school or who sells or distributes any controlled substance while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be suspended or expelled from that school, although the pupil may be placed in another kind of school, for at least a period equal to one semester for that school. For a second occurrence, the pupil must be permanently expelled from that school and:

(a) Enroll in a private school pursuant to chapter 394 of NRS ~~(or become an opt-in child)~~ or be homeschooled; or

(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

2. Except as otherwise provided in this section, any pupil who is found in possession of a firearm or a dangerous weapon while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be expelled from the school for a period of not less than 1 year, although the pupil may be placed in another kind of school for a period not to exceed the period of the expulsion. For a second occurrence, the pupil must be permanently expelled from the school and:

(a) Enroll in a private school pursuant to chapter 394 of NRS ~~(or become an opt-in child)~~ or be homeschooled; or

(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

3. Except as otherwise provided in this section, if a pupil is deemed a habitual disciplinary problem pursuant to NRS 392.4655, the pupil may be:

(a) Suspended from the school for a period not to exceed one school semester as determined by the seriousness of the acts which were the basis for the discipline; or

(b) Expelled from the school under extraordinary circumstances as determined by the principal of the school.

4. If the pupil is expelled, or the period of the pupil's suspension is for one school semester, the pupil must:

1 (a) Enroll in a private school pursuant to chapter 394 of NRS ~~4, become an opt-~~
2 ~~in child~~ or be homeschooled; or

3 (b) Enroll in a program of independent study provided pursuant to NRS
4 389.155 for pupils who have been suspended or expelled from public school or a
5 program of distance education provided pursuant to NRS 388.820 to 388.874,
6 inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in
7 accordance with the requirements of the applicable program.

8 5. The superintendent of schools of a school district may, for good cause
9 shown in a particular case in that school district, allow a modification to the
10 suspension or expulsion requirement, as applicable, of subsection 1, 2 or 3 if such
11 modification is set forth in writing.

12 6. This section does not prohibit a pupil from having in his or her possession
13 a knife or firearm with the approval of the principal of the school. A principal may
14 grant such approval only in accordance with the policies or regulations adopted by
15 the board of trustees of the school district.

16 7. Any pupil in grades 1 to 6, inclusive, except a pupil who has been found to
17 have possessed a firearm in violation of subsection 2, may be suspended from
18 school or permanently expelled from school pursuant to this section only after the
19 board of trustees of the school district has reviewed the circumstances and approved
20 this action in accordance with the procedural policy adopted by the board for such
21 issues.

22 8. A pupil who is participating in a program of special education pursuant to
23 NRS 388.419, other than a pupil who receives early intervening services, may, in
24 accordance with the procedural policy adopted by the board of trustees of the
25 school district for such matters, be:

26 (a) Suspended from school pursuant to this section for not more than 10 days.
27 Such a suspension may be imposed pursuant to this paragraph for each occurrence
28 of conduct proscribed by subsection 1.

29 (b) Suspended from school for more than 10 days or permanently expelled
30 from school pursuant to this section only after the board of trustees of the school
31 district has reviewed the circumstances and determined that the action is in
32 compliance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400
33 et seq.

34 9. As used in this section:

35 (a) "Battery" has the meaning ascribed to it in paragraph (a) of subsection 1 of
36 NRS 200.481.

37 (b) "Dangerous weapon" includes, without limitation, a blackjack, slungshot,
38 billy, sand-club, sandbag, metal knuckles, dirk or dagger, a nunchaku or trefoil, as
39 defined in NRS 202.350, a butterfly knife or any other knife described in NRS
40 202.350, a switchblade knife as defined in NRS 202.265, or any other object which
41 is used, or threatened to be used, in such a manner and under such circumstances as
42 to pose a threat of, or cause, bodily injury to a person.

43 (c) "Firearm" includes, without limitation, any pistol, revolver, shotgun,
44 explosive substance or device, and any other item included within the definition of
45 a "firearm" in 18 U.S.C. § 921, as that section existed on July 1, 1995.

46 10. The provisions of this section do not prohibit a pupil who is suspended or
47 expelled from enrolling in a charter school that is designed exclusively for the
48 enrollment of pupils with disciplinary problems if the pupil is accepted for
49 enrollment by the charter school pursuant to NRS 388A.453 or 388A.456. Upon
50 request, the governing body of a charter school must be provided with access to the
51 records of the pupil relating to the pupil's suspension or expulsion in accordance
52 with applicable federal and state law before the governing body makes a decision
53 concerning the enrollment of the pupil.

Sec. 31. 1. There is hereby appropriated from the State General Fund to the School Safety Account the ~~sum of \$17,500,000 for the Fiscal Year 2020-2021~~ following sums:

~~For the Fiscal Year 2019-2020~~ \$8,340,845

~~For the Fiscal Year 2020-2021~~ \$8,404,930

2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants utilizing a competitive grant process based on demonstrated need, within the limits of legislative appropriation, to school districts ~~(in counties whose population is less than 100,000)~~ and to charter schools for school safety facility improvements.

3. Any remaining balance of the appropriation made by subsection 1 ~~for Fiscal Year 2019-2020 must be added to the money appropriated for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021.~~

Sec. 32. ~~1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

~~For the Fiscal Year 2019-2020~~ \$145,000

~~For the Fiscal Year 2020-2021~~ \$145,000

~~2. The money appropriated by subsection 1 must be used by the Department of Education to provide threat assessments and trainings and to provide mobile crisis response team services in counties whose population is less than 100,000.~~

~~3. Any remaining balance of the money appropriated by subsection 1 for Fiscal Year 2019-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 33. ~~1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

~~For the Fiscal Year 2019-2020~~ \$2,000,000

~~For the Fiscal Year 2020-2021~~ \$2,700,000

~~2. The money appropriated by subsection 1 must be used by the Department of Education to support the implementation of a program of social, emotional and academic development throughout the public schools in this State, including, without limitation, the development and implementation of a strategic plan to carry out full implementation of such programs within 5 years.~~

~~3. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 34. ~~1. There is hereby appropriated from the State General Fund to the Other State Education Programs Account in the State General Fund the following sums:~~

~~For the Fiscal Year 2019-2020~~ \$2,000,000

~~For the Fiscal Year 2020-2021~~ \$2,000,000

~~2. The Department of Education shall use the money appropriated by subsection 1 for competitive state grants to school districts and charter schools for early childhood education programs.~~

~~3. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2019-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

~~Sec. 35. (1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:~~

~~For the Fiscal Year 2019-2020 \$15,875,000~~

~~For the Fiscal Year 2020-2021 \$15,875,000~~

~~2. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 1 of Senate Bill No. 467 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 1 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.~~

~~3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 2 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

~~Sec. 36. (1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:~~

~~For the Fiscal Year 2019-2020 \$15,875,000~~

~~For the Fiscal Year 2020-2021 \$15,875,000~~

~~2. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 2 of Senate Bill No. 467 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 2 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.~~

~~3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 2 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 36.5. 1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

For the Fiscal Year 2019-2020 \$35,081,155

For the Fiscal Year 2020-2021 \$36,848,070

2. The Department of Education shall transfer the sums of money identified in this subsection from the Account for Programs for Innovation and the Prevention of Remediation to school districts for block grants for the

purpose of providing supplemental support to the operation of the school districts. The amount to be transferred for the fiscal year shown is:

	2019-2020	2020-2021
Carson City School District	\$631,574	\$663,384
Churchill County School District	255,461	268,328
Clark County School District	25,892,878	27,197,012
Douglas County School District	458,566	481,662
Elko County School District	772,986	811,919
Esmeralda County School District	5,551	5,831
Eureka County School District	21,379	22,456
Humboldt County School District	273,189	286,949
Lander County School District	78,860	82,832
Lincoln County School District	76,533	80,388
Lyon County School District	681,887	716,231
Mineral County School District	42,868	45,027
Nye County School District	410,922	431,619
Pershing County School District	53,244	55,925
Storey County School District	34,229	35,953
Washoe County School District	5,294,592	5,561,262
White Pine County School District	96,435	101,292

3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must be used for the purpose identified in subsection 2 and does not revert to the State General Fund.

Sec. 37. 1. The Legislature hereby finds and declares that the purpose and intent of this act is to maintain and continue the existing legally operative rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110, at 2 percent and 1.475 percent, respectively, without any changes or reductions in the rates of those taxes pursuant to NRS 360.203, as that section existed before the effective date of this act, for any fiscal year beginning on or after July 1, 2015.

2. Notwithstanding any other provisions of law, in order to accomplish and carry out the purpose and intent of this act:

(a) Any determinations or decisions made or actions taken before the effective date of this section by the Department of Taxation pursuant to NRS 360.203, as that section existed before the effective date of this section:

(1) Are superseded, abrogated and nullified by the provisions of this act; and

(2) Have no legal force and effect; and

(b) The Department shall not, under any circumstances, apply or use those determinations, decisions or actions as a basis, cause or reason to reduce the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 for any fiscal year beginning on or after July 1, 2015.

~~Sec. 38. Notwithstanding any other provisions of law, the Legislature hereby finds and declares that:~~

~~1. The provisions of this act are not severable; and~~

~~2. If any provisions of this act, or any applications thereof to any persons, things or circumstances~~

~~(a) Are declared invalid by a court of competent jurisdiction in any judicial proceedings; and~~

~~(b) Any available appeals, petitions or other methods of review concerning the judicial proceedings have been exhausted under the rules governing the judicial proceedings, such a judicial declaration of invalidity shall be deemed to invalidate the other provisions of this act, whether or not the other provisions of this act can be saved and given effect without the provisions or applications declared invalid by the court, and the invalidation of the other provisions of this act pursuant to this section becomes effective on the date on which the judicial declaration of invalidity becomes final and is no longer subject to any available appeals, petitions or other methods of review under the rules governing the judicial proceedings. (Deleted by amendment.)~~

Sec. 39. NRS 360.203 is hereby repealed.

Sec. 39.5. NRS 219A.050, 353B.700, 353B.710, 353B.720, 353B.730, 353B.740, 353B.750, 353B.760, 353B.770, 353B.820, 353B.850, 353B.860, 353B.870, 353B.880, 353B.900, 353B.910, 353B.920, 353B.930, 388D.100, 388D.110, 388D.120, 388D.130 and 388D.140 are hereby repealed.

Sec. 40. 1. This section ~~and~~ sections ~~(1 to 28, inclusive), 2, 3, 37, 4, 28)~~ and 39 of this act become effective upon passage and approval.

2. Sections ~~(29 to 36, inclusive), 2.5, 3.5, 30.1 to 31, inclusive, 36.5 and 39.5~~ of this act become effective on July 1, 2019.

~~3. If the provisions of this act are invalidated as provided in section 28 of this act, this act expires by limitation on the date on which the invalidation of the provisions of this act becomes effective as provided in section 38 of this act.~~

~~(TEXT) LEADLINES OF REPEALED (SECTION) SECTIONS~~

~~360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.~~

~~1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by chapter 363C of NRS for the preceding fiscal year.~~

~~2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from these taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (c) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by chapter 363C of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.~~

~~3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2,~~

~~rounded to the nearest one thousandth of a percent, must thereafter be the rate of these taxes, unless further adjusted in a subsequent fiscal year.~~

~~4. If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 263B.110 is 1.17 percent;~~

~~(a) The Department is no longer required to make the determinations required by subsections 1 and 2; and~~

~~(b) The rate of the taxes imposed pursuant to NRS 263A.130 and 263B.110 must not be further adjusted pursuant to subsection 3.~~

219A.050 "Opt-in child" defined.

353B.700 Definitions.

353B.710 "Education savings account" defined.

353B.720 "Eligible institution" defined.

353B.730 "Opt-in child" defined.

353B.740 "Parent" defined.

353B.750 "Participating entity" defined.

353B.760 "Program of distance education" defined.

353B.770 "Resident school district" defined.

353B.820 Regulations.

353B.850 Establishment of account; requirements; termination and renewal of agreement to establish account; prohibition against establishing account for child attending school outside this State or homeschooled child.

353B.860 Grant of money required to be deposited in account; amount of grant; deduction of administrative costs; money remaining in account carries forward if written agreement renewed.

353B.870 Limitations on use of money deposited in account; refunds and rebates.

353B.880 Management of account; annual audits; State Treasurer authorized to take action upon determination of substantial misuse of money in account.

353B.900 Participating entity; Application; criteria; requirements; authority of State Treasurer to terminate status as participating entity.

353B.910 Participating entity required to ensure children take certain examinations; aggregation of examination results; annual survey.

353B.920 Annual list of participating entities; resident school district required to provide educational records to participating entity.

353B.930 Autonomy of participating entity not limited; actions of participating entity not actions of State Government.

360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.

388D.100 "Parent" defined.

388D.110 Notice that child is opt-in child; acknowledgment of notification.

388D.120 Release of child's records.

388D.130 Admittance or entrance to public school; participation in examinations.

388D.140 Notice of intent to participate in programs and activities.

6

6

EXHIBIT 11

EXHIBIT 11

NEVADA LEGISLATURE

Eightieth Session, 2019

SENATE DAILY JOURNAL

THE ONE HUNDRED AND TWENTIETH DAY

CARSON CITY (Monday), June 3, 2019

Senate called to order at 11:23 a.m.

President Marshall presiding

Roll called

All present.

Prayer by Senator SeEVERS Gansert

We are so blessed to all be here, today, on this great Nevada morning with the sun shining, and it is finally warm. We are blessed to be working as colleagues on behalf of the citizens who have entrusted us to do the work to make Nevada a better place. We are blessed to have families that support us. We are blessed to have an abundance in our lives, and today, we will make some final decisions. It has been a long 120 days, and I know everyone is exhausted. I know we have done a lot of good work together, and I know that is what is expected of us. So, please give us strength on this final day to make good decisions on behalf of the citizens of Nevada.

Thank You to our friends and family for supporting us. Thank You for the staff here, today, who have done tremendous work in these long days and long hours.

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.

MOTIONS, RESOLUTIONS AND NOTICES

Senator Ratti moved that Assembly Bills Nos. 541, 542, 543, 445, 527 be taken from their positions on the General File and placed at the top of the General File.

Motion carried.

Senator Ratti moved that Senate Bills Nos. 303, 440 be taken from the General File and placed at the top of the General File on the next Agenda.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 65.

Bill read third time.

Remarks by Senator Goicoechea

Senate Bill No. 65, as amended, appropriates total Highway Funds of \$82,333 in Fiscal Year 2020 and \$58,083 in Fiscal Year 2021 to the Department of Motor Vehicles to fund travel and operating expenses for Department mobile traveling teams to provide driver license and identification services in the City of West Wendover and the City of Caliente. The bill, as amended, also appropriates Highway Funds of \$12,437 in Fiscal Year 2020 to the Department for the creation of an electronic connection between the City of West Wendover's City Hall and the Department to allow vehicle registration services to be performed by the City. This act becomes effective upon passage and approval and for the purpose of performing any preparatory administrative tasks, and on July 1, 2019, for all other purposes.

Roll call on Senate Bill No. 65:

YEAS—21.

NAYS—None.

Senate Bill No. 65 having received a constitutional majority,
Madam President declared it passed, as amended.
Bill ordered transmitted to the Assembly.

Senate Bill No. 443.

Bill read third time.

Remarks by Senator Woodhouse

Senate Bill No. 443 makes a General Fund appropriation of \$1.5 million to the Aging and Disability Services Division of the Department of Health and Human Services to increase the reimbursement rate for congregate and home-delivered meals to \$5.20 for food-insecure persons who are over 60 years of age. I please urge your support.

Roll call on Senate Bill No. 443

YEAS—21.

NAYS—None.

Senate Bill No. 443 having received a constitutional majority,
Madam President declared it passed.
Bill ordered transmitted to the Assembly.

Senate Bill No. 546

Bill read third time.

Remarks by Senator Dondero Loop

Under existing law, the Department of Motor Vehicles is required to contract with certain counties for the collection of certain fuel taxes by the Department on behalf of the counties. Senate Bill No. 546 clarifies the charge by the Department is a commission.

Roll call on Senate Bill No. 546:

YEAS—21.

NAYS—None.

Senate Bill No. 546 having received a constitutional majority,
Madam President declared it passed.
Bill ordered transmitted to the Assembly.

Senate Bill No. 551.

Bill read third time.

The following amendment was proposed by Senator Cannizzaro

Amendment No. 1120.

SUMMARY—Revises provisions relating to state financial administration (BDR 3221286)

AN ACT relating to state financial administration; ~~revising provisions governing the administration of certain taxes authorized by the Clark County Crime Prevention Act of 2016 and the Clark County Sales and Use Tax Act of 2005; providing for certain proceeds from the taxes authorized by the Clark County Sales and Use Tax Act of 2005 to be used to employ and equip additional school police officers in the Clark County School District; removing the prospective expiration of the Clark County Sales and Use Tax Act of 2005 and amendments and other provisions relating thereto; eliminating certain duties of the Department of Taxation relating to the commerce tax and the payroll taxes imposed on certain businesses; continuing the existing legally operative rates of the payroll taxes imposed on certain businesses; revising provisions governing the credits against the payroll taxes imposed on certain businesses for taxpayers who donate money to a scholarship organization; making appropriations for certain purposes relating to school safety [early childhood education and Zoom and Victory schools]; and to provide supplemental support of the operation of the school districts; and providing other matters properly relating thereto~~
Legislative Counsel's Digest:

~~[Existing law authorizes the Board of County Commissioners of Clark County to impose a sales and use tax in Clark County to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department (Clark County Sales and Use Tax Act of 2005). A police department is prohibited from spending the proceeds of the tax unless the expenditure has been approved by a designated body and only if the use will not replace or supplant existing funding for the police department. (Section 12 of chapter 240, Statutes of Nevada 2005, as amended by chapter 497, Statutes of Nevada 2011, p. 3158). Section 10 of this bill authorizes 50 percent of the proceeds of the tax in excess of the amount collected during Fiscal Year 2018-2019 to be transferred each month to the Clark County School District for the purposes of employing and equipping additional school police officers. Sections 1, 4, 9, 11, 22, 26 and 27 of this bill make conforming changes to impose generally similar requirements on the Clark County School District as are imposed on police departments that receive proceeds of the tax.~~

~~[The Clark County Sales and Use Tax Act of 2005 is set to expire on October 1, 2025. (Section 23 of chapter 240, Statutes of Nevada 2005, p. 917). Sections 23-25 and 28 of this bill remove the prospective expiration of the Act and amendments thereto, thereby authorizing the imposition of such a tax in Clark County after October 1, 2025.]~~

Existing law imposes an annual commerce tax on each business entity whose Nevada gross revenue in a fiscal year exceeds \$4,000,000, with the rate of the commerce tax based on the industry in which the business entity is primarily engaged. (NRS 363C.200, 363C.300-363C.560) Existing law also imposes: (1) a payroll tax on financial institutions and on mining companies subject to the tax on the net proceeds of minerals, with the rate of the payroll tax set at 2 percent of the amount of the wages, as defined under existing law, paid by the financial institution or mining company during each calendar quarter in connection with its business activities; and (2) a payroll tax on other business entities, with the rate of the payroll tax set at 1.475 percent of the amount of the wages, as defined under existing law but excluding the first \$50,000 thereof, paid by the business entity during each calendar quarter in connection with its business activities. (NRS 363A.130, 363B.110, 612.190) However, a business entity that pays both the payroll tax and the commerce tax is entitled to a credit against the payroll tax of a certain amount of the commerce tax paid by the business entity. (NRS 363A.130, 363B.110)

Existing law further establishes a rate adjustment procedure that is used by the Department of Taxation to determine whether the rates of the payroll taxes should be reduced in future fiscal years under certain circumstances. Under the rate adjustment procedure, on or before September 30 of each even-numbered year, the Department must determine the combined revenue from the commerce tax and the payroll taxes for the preceding fiscal year. If that combined revenue exceeds a certain threshold amount, the Department must make additional calculations to determine future reduced rates for the payroll taxes. However, any future reduced rates for the payroll taxes do not go into effect and become legally operative until July 1 of the following odd-numbered year (NRS 360.203) This rate adjustment procedure was enacted by the Legislature during the 2015 Legislative Session and became effective on July 1, 2015. (Sections 62 and 114 of chapter 487, Statutes of Nevada 2015, pp. 2896, 2955) Since July 1, 2015, no future reduced rates for the payroll taxes have gone into effect and become legally operative based on the rate adjustment procedure. As a result, the existing legally operative rates of the payroll taxes are still 2 percent and 1.475 percent, respectively. (NRS 363A.130, 363B.110)

Section 39 of this bill eliminates the rate adjustment procedure used by the Department of Taxation to determine whether the rates of the payroll taxes should be reduced in any fiscal year. Section 37 of this bill maintains and continues the existing legally operative rates of the payroll taxes at 2 percent and 1.475 percent, respectively, without any changes or reductions in the rates of those taxes pursuant to the rate adjustment procedure for any fiscal year. Section 37 also provides that the Department must not apply or use the rate adjustment procedure to determine any future reduced rates for the payroll taxes for any fiscal year. Sections 2 and 3 of this bill make conforming changes.

~~{Sections 29-33 of this bill make appropriations for certain purposes relating to school safety. Specifically, section 29 of this bill makes an appropriation for the costs of public schools to retain social workers or other licensed mental health workers. Section 30 of this bill makes an appropriation for the costs of employing and equipping additional school resource officers or school police officers. Existing law establishes a credit against the payroll tax paid by certain businesses equal to an amount which is approved by the Department and which must not exceed the amount of any donation of money which is made by a taxpayer to a scholarship organization that provides grants on behalf of pupils who are members of a household with a household income which is not more than 300 percent of the federally designated level signifying poverty to attend schools in this State, including private schools, chosen by the parents or legal guardians of those pupils (NRS 363A.130, 363B.110). Under existing law, the Department, (1) is required to approve or deny applications for the tax credit in the order in which the applications are received by the Department, and (2) is authorized to approve applications for each fiscal year until the amount of tax credits approved for the fiscal year is the amount authorized by statute for that fiscal year. Assembly Bill No. 458 of this legislative session establishes that for Fiscal Years 2019-2020 and 2020-2021, the amount authorized is \$6,655,000 for each fiscal year. Sections 2.5 and 3.3 of this bill authorize the Department to approve, in addition to the amount of credits authorized for Fiscal Years 2019-2020 and 2020-2021, an amount of tax credits equal to \$4,745,000 for each of those fiscal years. Section 3.7 of this bill, (1) prohibits a scholarship organization from using a donation for which the donor received a tax credit to provide a grant on behalf of a pupil unless the scholarship organization used a donation for which the donor received a tax credit to provide a grant on behalf of the pupil for the immediately preceding scholarship year or reasonably expects to provide a grant of at least the same amount on behalf of the pupil for each school year until the pupil graduates from high school, and (2) requires a scholarship organization to repay the amount of any tax credit approved by the Department if the scholarship organization violates this provision.~~

~~Section 31 of this bill makes an appropriation for the costs of school safety facility improvements. Section 32 of this bill makes an appropriation for the costs of providing threat assessments and trainings and providing mobile crisis response team services in certain counties. Section 33 of this bill makes an appropriation to support the implementation of a program of social, emotional and academic development throughout the public schools of this State. Additionally, section 34 of this bill makes an appropriation for early childhood education programs in public schools. Finally, sections 35 and 36 of this bill make appropriations to provide supplemental funding for the Zoom and Victory schools programs to increase the number of schools served by such programs and supplement the services provided at such schools.~~

~~Section 38 of this bill declares that the provisions of this bill are not severable and that a judicial declaration of invalidity of any portion of this bill shall be deemed to invalidate all provisions of this bill. Section 40 of this bill expressly expires by limitation all provisions of this bill upon such a judicial declaration of invalidity. Section 36.5 of this bill makes an appropriation to provide supplemental support to the operations of the school districts of this State, distributed in amounts based on the 2018 enrollment of the school districts of this State.~~

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

Section 1. ~~{NRS 360.200 is hereby amended to read as follows:~~

~~360.200 The Department may exercise {the}~~

~~1 The specific powers enumerated in this chapter {and, except} on any other law; and~~

~~2 Except as otherwise provided {by} in this chapter or any other law, {may exercise} general supervision and control over the entire revenue system of the State, including, without limitation, the administration of the provisions of chapter 397, Statutes of Nevada 1955, as amended {NRS} and codified in chapter 332 { } of NRS, or any special legislative act authorizing or providing for such administration by the Department.} (Deleted by amendment.)~~

Sec. 2 NRS 363A.130 is hereby amended to read as follows:

363A.130 1. ~~{Except as otherwise provided in NRS 360.203, there}~~
There is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer.

2 The tax imposed by this section

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3 Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535.

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this section for that calendar quarter.

4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to chapter 363C of NRS for the preceding taxable year. The credit may only be used for any of the 4 calendar

quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

5. An employer who makes a donation of money to a scholarship organization during the calendar quarter for which a return is filed pursuant to this section is entitled, in accordance with NRS 363A.139, to a credit equal to the amount authorized pursuant to NRS 363A.139 against any tax otherwise due pursuant to this section. As used in this subsection, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 25 NRS 363A.139 is hereby amended to read as follows:

363A.139 1. Any taxpayer who is required to pay a tax pursuant to NRS 363A.130 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before making such a donation, notify the scholarship organization of the taxpayer's intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and provide to the scholarship organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection is

- (a) For Fiscal Year 2015-2016, \$5,000,000,
- (b) For Fiscal Year 2016-2017, \$5,500,000; and
- (c) For each succeeding fiscal year, an amount equal to 110 percent of the amount authorized for the immediately preceding fiscal year.

→ The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. ~~For~~ Except as otherwise provided in this subsection, in addition to the amount of credits authorized by subsection 4 for Fiscal ~~Years 2019-2020 and 2020-2021,~~ the Department of Taxation may approve applications for the credit authorized by subsection 1 for ~~that~~ each of those fiscal ~~years~~ years until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363B.119 is ~~(\$20,000,000)~~ \$1,745,000. The provisions of paragraph (c) of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to that paragraph. If, in Fiscal Year ~~(2017-2018)~~ 2019-2020 or 2020-2021, the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than ~~(\$20,000,000)~~ \$1,745,000, the remaining amount of credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~(\$20,000,000)~~ \$1,745,000. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 3. NRS 363B.110 is hereby amended to read as follows:

363B.110 1. ~~[Except as otherwise provided in NRS 360.203, there]~~
 There is hereby imposed an excise tax on each employer at the rate of 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer exceeds \$50,000.

2. The tax imposed by this section

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department, and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to chapter 363C of NRS for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

5. An employer who makes a donation of money to a scholarship organization during the calendar quarter for which a return is filed pursuant to this section is entitled, in accordance with NRS 363B.119, to a credit equal to the amount authorized pursuant to NRS 363B.119 against any tax otherwise due pursuant to this section. As used in this subsection, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 3.3. NRS 363B.119 is hereby amended to read as follows:

363B.119 1. Any taxpayer who is required to pay a tax pursuant to NRS 363B.110 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before

making such a donation, notify the scholarship organization of the taxpayer's intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and provide to the scholarship organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection is:

- (a) For Fiscal Year 2015-2016, \$5,000,000,
- (b) For Fiscal Year 2016-2017, \$5,500,000, and
- (c) For each succeeding fiscal year, an amount equal to 110 percent of the amount authorized for the immediately preceding fiscal year.

~ The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. In addition to the amount of credits authorized by subsection 4 for Fiscal ~~Year 2017-2018,~~ Years 2019-2020 and 2020-2021, the Department of Taxation may approve applications for the credit authorized by subsection 1 for ~~that~~ each of those fiscal ~~year~~ years until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363A.139 is ~~(\$20,000,000)~~ \$4,745,000. The provisions of paragraph (c) of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to that paragraph. If, in Fiscal Year ~~2017-2018,~~ 2019-2020 or 2020-2021, the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than ~~(\$20,000,000)~~ \$4,745,000, the remaining amount of

credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~(\$30,000,000)~~ \$9,490,000. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 3.7. NRS 388D.270 is hereby amended to read as follows.

388D.270 1. A scholarship organization must:

(a) Be exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3).

(b) Not own or operate any school in this State, including, without limitation, a private school, which receives any grant money pursuant to the Nevada Educational Choice Scholarship Program.

(c) Accept donations from taxpayers and other persons and may also solicit and accept gifts and grants.

(d) Not expend more than 5 percent of the total amount of money accepted pursuant to paragraph (c) to pay its administrative expenses.

(e) Provide grants on behalf of pupils who are members of a household that has a household income which is not more than 300 percent of the federally designated level signifying poverty to allow those pupils to attend schools in this State chosen by the parents or legal guardians of those pupils, including, without limitation, private schools. The total amount of a grant provided by the scholarship organization on behalf of a pupil pursuant to this paragraph must not exceed \$7,755 for Fiscal Year 2015-2016.

(f) Not limit to a single school the schools for which it provides grants.

(g) Except as otherwise provided in paragraph (e), ~~it~~ and subsection 6, not limit to specific pupils the grants provided pursuant to that paragraph.

2. The maximum amount of a grant provided by the scholarship organization pursuant to paragraph (e) of subsection 1 must be adjusted on

July 1 of each year for the fiscal year beginning that day and ending June 30 in a rounded dollar amount corresponding to the percentage of increase in the Consumer Price Index (All Items) published by the United States Department of Labor for the preceding calendar year. On May 1 of each year, the Department of Education shall determine the amount of increase required by this subsection, establish the adjusted amounts to take effect on July 1 of that year and notify each scholarship organization of the adjusted amounts. The Department of Education shall also post the adjusted amounts on its Internet website.

3. A grant provided on behalf of a pupil pursuant to subsection 1 must be paid directly to the school chosen by the parent or legal guardian of the pupil.

4. A scholarship organization shall provide each taxpayer and other person who makes a donation, gift or grant of money to the scholarship organization pursuant to paragraph (c) of subsection 1 with an affidavit, signed under penalty of perjury, which includes, without limitation

(a) A statement that the scholarship organization satisfies the requirements set forth in subsection 1; and

(b) The total amount of the donation, gift or grant made to the scholarship organization.

5. Each school in which a pupil is enrolled for whom a grant is provided by a scholarship organization shall maintain a record of the academic progress of the pupil. The record must be maintained in such a manner that the information may be aggregated and reported for all such pupils if reporting is required by the regulations of the Department of Education.

6. A scholarship organization shall not use a donation for which the taxpayer received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of a pupil unless the scholarship organization used a donation for which the taxpayer received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of the pupil for the immediately preceding school year or reasonably expects to be able to provide a grant pursuant to this section on behalf of the pupil in at least the same amount for each school year until the pupil graduates from high school. A scholarship organization that violates this subsection shall repay to the Department of Taxation the amount of the tax credit received by the taxpayer pursuant to NRS 363A.139 or 363B.119, as applicable.

7. The Department of Education:

(a) Shall adopt regulations prescribing the contents of and procedures for applications for grants provided pursuant to subsection 1.

(b) May adopt such other regulations as the Department determines necessary to carry out the provisions of this section.

~~7.8.~~ 8. As used in this section, "private school" has the meaning ascribed to it in NRS 394.103.

Sec. 4. ~~[NRS 364.603 is hereby amended to read as follows:~~

~~361.60) - The board of trustees of any county school district, the board of hospital trustees of any county hospital or the board of trustees of any consolidated library district or district library may establish and administer separate accounts in:~~

~~(a) A bank whose deposits are insured by the Federal Deposit Insurance Corporation;~~

~~(b) A credit union whose deposits are insured by the National Credit Union Share Insurance Fund or by a private insurer approved pursuant to ARS 6-28-255; or~~

~~(c) A savings and loan association or savings bank whose deposits if made by the State, a local government or an agency of either, are insured by the Federal Deposit Insurance Corporation or the legal successor of the Federal Deposit Insurance Corporation.~~

~~For money deposited by the county treasurer which is by law to be administered and expended by those boards:~~

~~3. The county treasurer shall transfer the money to a separate account pursuant to subsection 1 when the following conditions are met:~~

~~(a) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library adopts a resolution declaring an intention to establish and administer a separate account in accordance with the provisions of this section;~~

~~(b) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library sends a certificate to the county treasurer, the county auditor, the board of county commissioners and, in the case of the board of trustees of the county school district, to the Department of Education, attested by the secretary of the board, declaring the intention of the board to establish and administer a separate account in accordance with the provisions of this section;~~

~~(c) The board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library submits monthly reports, listing all transactions involving the separate account, to the county treasurer, the county auditor and the board of county commissioners. The reports must be certified by the secretary of the board. In addition, the board shall give a full account and record of all money in such an account upon request of the board of county commissioners.~~

~~3. The separate account of the board of trustees of the county school district established under the provisions of this section must be comprised of:~~

~~(a) The county school district fund; and~~

~~(b) The county school district building and sites fund.~~

~~(c) Any other fund authorized or required by law.~~

~~4. The separate account established by the board of county hospital trustees is designated the county hospital fund.~~

~~5. The separate account of the board of trustees of the consolidated library district or district library established under the provisions of this section must be composed of:~~

~~(a) The fund for the consolidated library or district library, as appropriate; and~~

~~(b) The capital projects fund of the consolidated library or district library, as appropriate.~~

~~6. No expenditures from an account may be made in excess of the balance of the account.~~

~~7. Each account must support all expenditures properly related to the purposes of the fund, excluding direct payments of principal and interest on general obligation bonds, and including, but not limited to, debt service, capital projects, capital outlay and operating expenses.~~

~~8. The board of county commissioners, if it determines that there is clear evidence of misuse or mismanagement of money in any separate account, may order the closing of the account and the return of the money to the county treasury to be administered in accordance with existing provisions of law. The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library is entitled to a hearing before the board of county commissioners. (Deleted by amendment.)~~

Sec. 5. ~~PARS 387.175 is hereby amended to read as follows:~~

~~387.175 (The) 1. Except as otherwise provided in this section, the county school district fund is composed of:~~

~~(1.) (a) All moneys for the maintenance and operation of public schools;~~

~~(2.) (b) All moneys received from the Federal Government for the maintenance and operation of public schools;~~

~~(3.) (c) Apportionments by this State as provided in PARS 387.134;~~

~~(4.) (d) Any other receipts, including gifts, for the operation and maintenance of the public schools in the county school district.~~

~~2. If the board of trustees of a county school district is allotted any money to employ and equip additional school police officers pursuant to any special legislative act, the money must be:~~

~~(a) Deposited in the appropriate fund in the manner required by the special legislative act; and~~

~~(b) Used only for the purposes authorized by the special legislative act. (Deleted by amendment.)~~

Sec. 6. ~~PARS 387.180 is hereby amended to read as follows:~~

~~387.180 (The) 1. Except as otherwise provided in this section, the board of trustees of each county school district shall pay all moneys received by it for school purposes into the county treasury at the end of each month to be placed to the credit of the county school district fund or the county school district buildings and sites fund as provided for in this chapter, except when~~

the board of trustees of a county school district has elected to establish and administer a separate account under the provisions of NRS 254.603.

~~2. If the board of trustees of a county school district is allotted any money to employ and equip additional school police officers pursuant to any special legislative act, the money must be:~~

~~(a) Deposited in the appropriate fund in the manner required by the special legislative act, and~~

~~(b) Used only for the purposes authorized by the special legislative act.~~

~~(Deleted by amendment.)~~

Sec. 7. ~~(Section 13 of the Clark County Crime Prevention Act of 2016,~~

~~being chapter 1, Statutes of Nevada 2016, 20th Special Session, at page 9, is~~

~~hereby amended to read as follows:~~

~~1. A body designated pursuant to subsection 1 of section 13 of this act that approves an expenditure pursuant to section 13 of this act shall, for the relevant period, submit to the Department the reports required by this section, which must include, without limitation, the information required by this section and such other information relating to the administration of the provisions of this act as may be requested by the Department.~~

~~2. A body designated pursuant to subsection 1 of section 13 of this act shall submit the reports required by this section on or before:~~

~~(a) February 15, for the 3-month period ending on the immediately preceding December 31;~~

~~(b) May 15, for the 3-month period ending on the immediately preceding March 31;~~

~~(c) August 15, for the 3-month period ending on the immediately preceding June 30;~~

~~(d) November 15, for the 3-month period ending on the immediately preceding September 30; and~~

~~(e) August 15, for the 12-month period ending on the immediately preceding June 30.~~

~~3. Each report submitted pursuant to this section must be submitted on a form provided by the Department, which must be the same form as the form provided for the relevant report required by section 13.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 340, Statutes of Nevada 2005, as added by chapter 545, Statutes of Nevada 2007, at page 3432, and amended by chapter 107, Statutes of Nevada 2011, at page 3160, from time to time thereafter, and must include, with respect to the period covered by the report:~~

~~(a) The total amount of the allocation received by the respective police department from the proceeds of the tax authorized by subsection 1 of section 4 of this act; {1}~~

~~(b) A detailed description of the use of the money allotted to the police department, including, without limitation:~~

~~(1) The total expenditures made by the police department from the allocation. (i)~~

~~(2) The total number of police officers hired by the respective police department, the number of those officers that are filling authorized, funded positions for new officers and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department concerning the reporting of such information. (i and)~~

~~(3) A detailed analysis of the manner in which each expenditure~~

~~(i) Confirms to all provisions of this act; and~~

~~(ii) Does not replace or supplant funding or staffing levels, which existed before October 1, 2016, for the respective police department. (i)~~

~~(v) An analysis of the manner in which each expenditure is being used to prevent crimes and the effectiveness of such expenditures in preventing crimes. (i and)~~

~~(d) Any other information required to complete the form of the report.~~

~~4. The Metropolitan Police Committee on Fiscal Affairs shall~~

~~(a) Prepare and submit separate reports as required by this section for the expenditures approved from the allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraphs (a) and (b), respectively, of subsection 3 of section 9 of this act; and~~

~~(b) In addition to all other information required by this section, include in each report submitted pursuant to this section evidence that the expenditures from allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 of section 9 of this act are not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (b) of subsection 3 of section 9 of this act for expenditures on law enforcement and crime prevention in the resort corridor.~~

~~5. The Department may review and investigate the reports submitted pursuant to this section and any expenditure of any proceeds from the tax authorized by subsection 1 of section 9 of this act. (Deleted by amendment.)~~

Sec. 8 (The Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 912, is hereby amended by adding thereto a new section to be designated as section 8.6, immediately following section 8.5, to read as follows:

~~Sec. 8.6. "Board of Trustees" means the Board of Trustees of the Clark County School District. (Deleted by amendment.)~~

Sec. 9 (The Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 912, is hereby amended by

adding thereto a new section to be designated as section 11.5, immediately following section 8, to read as follows:

~~Sec. 8.5. "School police officer" means a person who is employed or appointed to serve as a school police officer in the Clark County School District pursuant to NRS 201.281. (Deleted by amendment.)~~

Sec. 10. ~~(The Clark County Sales and Use Tax Act of 2008, being chapter 240, Statutes of Nevada 2008, at page 943, is hereby amended by adding thereto a new section to be designated as section 12.5, immediately following section 12, to read as follows:~~

~~Sec. 12.5. 1. During Fiscal Year 2010-2010 and during each fiscal year thereafter, the Department shall determine whether the total amount of the proceeds received from any sales and use tax imposed pursuant to this act during the preceding month exceeds the proceeds received from such a tax during the corresponding month of Fiscal Year 2010-2010. If the proceeds received in the current fiscal year:~~

~~(a) Do not exceed the proceeds received from the corresponding month of Fiscal Year 2010-2010, the amount determined by the State Controller pursuant to paragraph (b) of subsection 2 of section 11 of this act must be transferred as provided in paragraph (c) of subsection 2 of section 11 of this act;~~

~~(b) Do exceed the proceeds received from the corresponding month of Fiscal Year 2010-2010,~~

~~(1) The sum of the amount determined by the State Controller pursuant to paragraph (b) of subsection 2 of section 11 of this act received from such a tax during the corresponding month of Fiscal Year 2010-2010 and 50 percent of the excess must be transferred as provided in paragraph (c) of subsection 2 of section 11 of this act;~~

~~(2) Fifty percent of the excess must be transferred to the Clark County School District for the purpose of employing and equipping additional school police officers pursuant to this section;~~

~~2. Except as otherwise provided in subsection 1, the Board of Trustees shall not approve the expenditure of the proceeds received by the School District pursuant to this section unless the expenditure:~~

~~(a) Is used to employ and equip additional school police officers;~~

~~(b) Conforms to all provisions of this act; and~~

~~(c) Will not replace or supplant existing funding to employ and equip school police officers.~~

~~3. If the Board of Trustees contracts with the Las Vegas Metropolitan Police Department for the provision and supervision of police services pursuant to NRS 201.281,~~

~~(a) The Board of Trustees shall, in the terms of the contract, provide for the transfer to the Las Vegas Metropolitan Police Department of the proceeds received by the School District pursuant to this section; and~~

~~(b) The body designated pursuant to section 12 of this act to approve expenditures by the Las Vegas Metropolitan Police Department shall not approve the expenditure of the proceeds received by the School District pursuant to this section unless the expenditure:~~

- ~~(1) is used to employ and equip additional school police officers;~~
- ~~(2) conforms to all provisions of this act; and~~
- ~~(3) will not replace or supplant existing funding to employ and equip school police officers. (Deleted by amendment.)~~

Sec 11. ~~Section 2 of the Clark County Sales and Use Tax Act of 2005, being chapter 219, Statutes of Nevada 2005, at page 912, is hereby amended to read as follows:~~

- ~~Sec. 2. 1. The Legislature hereby finds and declares that:~~
- ~~(1) (a) Nevada continues to be the fastest growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month;~~
- ~~(2) (b) The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of those residents, so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;~~
- ~~(3) (c) The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;~~
- ~~(4) (d) A majority of the voters in Clark County approved at the November 2, 2004, General Election, Amendment Question 2 in 90, indicating their support for an increase in the sales tax of up to one-half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;~~
- ~~(5) (e) It is intended that 50 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic; and~~
- ~~(6) (f) It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act and allocated among the police departments within Clark County pursuant to section 9 of this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:~~
- ~~((a)) (1) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;~~

~~---(b)---(2) The provision of training for all police officers employed by the department that includes, without limitation, training related to~~
~~---(1)---(1) Methods that may be used to analyze, respond to and solve problems commonly confronted by police officers in the community;~~

~~---(2)---(1) The cultural and racial diversity of the residents of the community;~~

~~---(3)---(1) The proper utilization of community resources, such as local hunting authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and~~

~~---(4)---(1) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and~~

~~---(e)---(2) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services; (1)~~

~~---7---A)~~

~~---2---The legislature hereby further finds and declares that:~~

~~---(a) The Clark County School District is one of the largest school districts in the nation when measured either by enrollment or geographic area, and its enrollment of over 220,000 pupils generally ranks as the fifth largest school district by enrollment in the nation and its geographic area of almost 8,000 square miles generally ranks as the seventh largest school district by geographic area in the continental United States;~~

~~---(b) A safe and secure environment in the public schools and other facilities in the Clark County School District is necessary and essential for the School District to fulfill its educational mission and successfully teach, instruct and educate the pupils enrolled in the School District;~~

~~---(c) There are substantial dangers and threats to the safety of the public schools and other facilities in the Clark County School District, such as school violence, illegal weapons, illicit drugs and inappropriate and unlawful sexual conduct, that have become very frequent and severe, more difficult to police and more challenging in terms of providing effective and timely responses by the limited and overextended resources of the school police officers in the School District; and~~

~~---(d) It is therefore necessary and essential for the protection of the safety of the public schools and other facilities in the Clark County School District to employ and equip additional school police officers in the School District as provided by this act.~~

~~---3---The legislature hereby further finds and declares that a general law cannot be made applicable to the purposes, objects, powers, rights,~~

privileges, immunities, liabilities, duties and disabilities provided in this act because of (the):

~~—(a) The demographic, economic and geographic diversity of the local governments (a) and school districts in this State (the); and~~
~~—(b) The special and unique growth patterns, (occurring in Clark County and the special) financial conditions (experienced) and dangers and threats to the safety of the public in Clark County and the safety of the public schools and other facilities in the Clark County (related to) School District, and the corresponding challenges in providing effective and timely police protection under these special and unique circumstances, which~~

~~—(1) Are not reasonably comparable to anywhere else in this State; and~~

~~—(2) Create the ongoing need to employ and equip more police officers; and~~

~~—3. The):~~

~~—(1) Police officers for the protection of the safety of the public in Clark County, as the most populous county in this State; and~~

~~—(2) School police officers for the protection of the safety of the public schools and other facilities in the Clark County School District, as the largest school district in this State in terms of enrollment and one of the largest school districts in the nation in terms of enrollment and geographic area.~~

~~1. The Legislature hereby further finds and declares that the powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act must comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provisions.) (Deleted by amendment.)~~

Sec. 12. ~~(Section 2 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 914, is hereby amended to read as follows:)~~

~~—Sec. 2. Except as otherwise provided in this act or unless the context otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 244 of NRS, as from time to time amended, but the definitions in sections 1 to (8) 8.5, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.) (Deleted by amendment.)~~

Sec. 13. ~~(Section 9 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, at page 914, is hereby amended to read as follows:)~~

~~—Sec. 9. 1. The Board may enact an ordinance imposing a local sales and use tax pursuant to this act. If the Board enacts or has enacted such an ordinance, the proceeds received from the tax authorized~~

~~pursuant to this section must be used to employ and equip additional police).~~

~~(c) Police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.~~

~~(d) School police officers for the Clark County School District pursuant to section 12.5 of this act.~~

~~2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.~~

~~3. The proceeds received from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:~~

~~(a) Allocated as follows:~~

~~(1) Subject to the limitations set forth in section 12.5 of this act, among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this paragraph, "population" means the estimated annual population determined pursuant to NRS 260.282.~~

~~(2) To the Clark County School District pursuant to section 12.5 of this act.~~

~~(b) Used only as approved pursuant to section 12.5 or 13 of this act and only for the purposes set forth in this section or section 12.5 of this act unless the Legislature changes the use. [The]~~

~~1. If the Board wants to change the use for the proceeds received from the tax and allocated among the police departments within the County, the Board shall, before submitting to the Legislature any request to change the use for [the] such proceeds received from the tax, submit an advisory question to the voters of the County pursuant to NRS 205.230, asking whether the use for [the] such proceeds received from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change. [Deleted by amendment.]~~

Sec. 14. [Section 13 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as amended by chapter 497, Statutes of Nevada 2011, at page 2188, is hereby amended to read as follows:

~~Sec. 13. 1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:~~

~~---(a) The proposed use of the money conforms to all provisions of this act; and~~

~~---(b) The proposed use will not replace or supplant existing funding for the police department.~~

~~---3. The body designated to approve an expenditure for:~~

~~---(a) The Boulder City Police Department is the City Council of the City of Boulder City;~~

~~---(b) The Henderson Police Department is the City Council of the City of Henderson;~~

~~---(c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;~~

~~---(d) The Mesquite Police Department is the City Council of the City of Mesquite; and~~

~~---(e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.~~

~~---7. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:~~

~~---(a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or~~

~~---(b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 2 percent from its base fiscal year.~~

~~---4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.~~

~~---5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 6 of this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County~~

Treasurer requesting approval for the use by the police department for which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

~~6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of compliance with the provisions of this section, shall provide written notice to the designated body which failed to make a finding pursuant to subsection 3 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act, as approved by the County Treasurer for use by the designated body that submitted the request.~~

~~7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following its receipt of any portion of the proceeds upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.~~

~~8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2009-2010, except that:~~

~~(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes the most recent of such subsequent fiscal years.~~

~~(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2009-2010, the base fiscal year for that body becomes Fiscal Year 2009-2010 but is subject to subsequent revision pursuant to paragraph (a).~~ ~~(Deleted by amendment.)~~

Sec. 15. (Section 13.3 of the Clark County Sales and Use Tax Act of 2005, being chapter 219, Statutes of Nevada 2005, as added by chapter 1, Statutes of Nevada 2013, 11th Special Session, at page 2, is hereby amended to read as follows:

~~Sec. 13.3. 1. The provisions of paragraph (b) of subsection 1 and subsections 3 to 8, inclusive, of section 13 of this act do not apply to any expenditure of proceeds received from any sales and use tax imposed pursuant to this act on or after July 1, 2013, but before July 1, 2016 [], and allocated among the police departments within the County pursuant to section 4 of this act.~~

~~2. In addition to the requirements of section 13.5 of this act:~~

~~(a) The periodic reports required by that section must include, with respect to the period covered by the report, a separate detailed description of the expenditure of any proceeds received from the sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 4 of this act as a result of the provisions of subsection 1; and~~

~~(b) A governing body that is required to submit a report pursuant to section 13.5 of this act shall submit a copy of the separate detailed description required by paragraph (a) for the period covered by the report to the Director of the Legislative Counsel Bureau for transmittal to the Interior Finance Committee on or before the date by which the governing body is required to submit the report for that period to the Department pursuant to section 13.5 of this act.] (Deleted by amendment.)~~

Sec. 16. ~~(Section 13.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as amended by chapter 197, Statutes of Nevada 2011, at page 3160, is hereby amended to read as follows:~~

~~Sec. 13.5. 1. Any governing body that has approved expenditures pursuant to section 13.5 or 13 of this act shall submit to the Department the periodic report required pursuant to that section and such other information relating to the provisions of this act as may be requested by the Department.~~

~~2. The reports required pursuant to this section must be submitted:~~

~~(a) On or before:~~

~~(1) February 15 for the 3-month period ending on the immediately preceding December 31;~~

~~(2) May 15 for the 3-month period ending on the immediately preceding March 31;~~

~~(3) August 15 for the 3-month period ending on the immediately preceding June 30; and~~

~~(4) November 15 for the 3-month period ending on the immediately preceding September 30; and~~

~~(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.~~

~~3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:~~

~~(a) The total proceeds received by the respective police department or the Clark County School District, as applicable, from the sales and use tax imposed pursuant to this act; [1]~~

~~(b) A detailed description of the use of the proceeds, including, without limitation:~~

~~(1) The total expenditures made by the respective police department or the Clark County School District, as applicable, from the sales and use tax imposed pursuant to this act; [1]~~

~~(2) The total number of police officers hired by the police department [and] or the total number of school police officers hired by the Clark County School District, as applicable, the number of those officers that are filling authorized, funded positions for new officers; [1] within the respective police department or the Clark County School District, as applicable, and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department or the Clark County School District, as applicable, concerning the reporting of such information;~~

~~(3) A detailed analysis of the manner in which each expenditure:~~

~~(i) Conforms to all provisions of this act; and~~

~~(ii) Does not replace or supplant funding which existed before October 1, 2005, for the police department [1, and] or which existed before July 1, 2010, for school police officers for the Clark County School District, as applicable;~~

~~(c) Any other information required to complete the form for the report.~~

~~1. The Department may review and investigate the reports submitted pursuant to this section and the expenditures of any proceeds pursuant to section 12.5 or 13 of this act. [Deleted by amendment.]~~

Sec. 17. [Section 14 of the Clark County Sales and Use Tax Act of 2006, being chapter 249, Statutes of Nevada 2005, as amended by chapter 387, Statutes of Nevada 2000, at page 3007, is hereby amended to read as follows:]

~~Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.~~

~~2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.~~

~~3. [The] Except as otherwise provided in section 12.5 of this act, the State Controller, acting upon the collection data furnished by the Department, shall monthly:~~

~~(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest~~

and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.

~~(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).~~

~~(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.~~
(Deleted by amendment.)

Sec. 18. ~~(Section 15 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 916, is hereby amended to read as follows:~~

~~Sec. 15. The Department may redistribute any proceeds received from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed (1) to the respective police departments within the County or the Clark County School District, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.)~~ (Deleted by amendment.)

Sec. 19. ~~(Section 16 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:~~

~~Sec. 16. 1. The County Treasurer shall deposit money received from the State Controller pursuant to paragraph (c) of subsection 3 of section 12.5 or 14 of this act into the County Treasury for credit to a fund created for the use of the proceeds received from the tax authorized by this act.~~

~~2. The fund of the County created for the use of the proceeds received from the tax authorized by this act must be accounted for as a separate fund and not as a part of any other fund.~~

~~3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 2 or 12.5 of this act.)~~ (Deleted by amendment.)

Sec. 20. ~~(Section 17 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:~~

~~Sec. 17. 1. To carry out the provisions of this act:~~

~~(a) The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to subsection 3 of section 16 of this act into a special revenue fund created for the use of the proceeds received from the tax authorized by~~

~~this act [] and allocated among the police departments within the County pursuant to section 9 of this act.~~

~~(b) If pursuant to NRS 282.170, the Board of Trustees:~~

~~----- (1) Has elected to establish and administer a separate account on the County School District Fund pursuant to NRS 251.402, the Board of Trustees shall~~

~~----- (i) Create a special revenue fund for the use of the proceeds received from the tax authorized by this act and allocated to the Clark County School District pursuant to section 12.5 of this act; and~~

~~----- (ii) Deposit the money received from the County Treasurer pursuant to section 16 of this act into the special revenue fund.~~

~~----- (2) Has not elected to establish and administer a separate account on the County School District Fund pursuant to NRS 251.402, the County Treasurer shall~~

~~----- (i) Create a special revenue fund for the use of the proceeds received from the tax authorized by this act and allocated to the School District pursuant to section 12.5 of this act; and~~

~~----- (ii) Deposit the money received by the County Treasurer pursuant to section 16 of this act into the special revenue fund.~~

~~2. Each special revenue fund created for the use of the proceeds received from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.~~

~~3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury or the County School District Fund, as applicable, at the end of any fiscal year. (Deleted by amendment.)~~

Sec. 21. {Section 20 of the Clark County Sales and Use Tax Act of 2005, being chapter 349, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:

~~Sec. 20. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County [] or the Clark County School District, as appropriate for the proceeding. (Deleted by amendment.)~~

Sec. 22. {Section 21 of the Clark County Sales and Use Tax Act of 2005, being chapter 349, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:

~~Sec. 21. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.~~

~~2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or the Clark County~~

~~School District, as applicable, or any officer, agent or employee of the County [] or the Clark County School District, as applicable.~~

~~3. This act must not be construed to repeal or otherwise effect any other law or part thereof [], except that if there is any conflict between the specific provisions of this act and the general provisions of any other law or part thereof, the specific provisions of this act control.~~

~~4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.~~

~~5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not affect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable. (Deleted by amendment.)~~

Sec. 13. (Section 23 of chapter 240, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:

~~Sec. 23. 1. This act becomes effective~~

~~(a) 1. Upon passage and approval for the purposes of enacting ordinances and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~(b) 2. On October 1, 2005, for all other purposes;~~

~~2. This act expires by limitation on October 1, 2025. (Deleted by amendment.)~~

Sec. 24. (Section 23 of chapter 545, Statutes of Nevada 2007, at page 122, is hereby amended to read as follows:

~~Sec. 23. 1. This section and sections 3 to 22, inclusive, of this act become effective:~~

~~(a) Upon passage and approval for the purposes of enacting ordinances and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~(b) On October 1, 2007, for all other purposes;~~

~~2. Sections 1 and 2 of this act become effective on October 1, 2007 (and expire by limitation on October 1, 2025);~~

~~3. Sections 3 to 22, inclusive, of this act expires by limitation on October 1, 2027. (Deleted by amendment.)~~

Sec. 25. (Section 28 of chapter 387, Statutes of Nevada 2009, at page 210, is hereby amended to read as follows:

~~Sec. 28. 1. This section and sections 1, 18 and 27 of this act become effective upon passage and approval~~

~~2. Sections 3, 4, 5, 6, 7, 9, 11 to 16, inclusive, and 19 to 26, inclusive, of this act become effective on July 1, 2009.~~

~~3. Section 17 of this act becomes effective on July 1, 2011.~~

~~4. (Section 20 of this act expires by limitation on September 30, 2025.~~

~~5.) Section 25 of this act expires by limitation on September 30, 2027.~~

~~(6.) Sections 7 and 9 of this act expire by limitation on September 30, 2030.~~

~~(7.) Sections 8 and 10 of this act become effective on October 1, 2020. (Deleted by amendment.)~~

Sec. 26. ~~(Section 3.5 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:~~

~~Sec. 3.5. 1. If the increase in the rate of the tax authorized by section 3 of this act is enacted pursuant to that section, the County Treasurer of Clark County shall not make any allotment to a police department pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005 of any portion of the proceeds of the increase allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005, unless the County Treasurer is satisfied that the police department will meet the requirements of subsection 1 of section 3.7 of this act.~~

~~2. If the County Treasurer determines pursuant to subsection 1 that an allotment will not be made to a police department, any other police department may apply to the County Treasurer requesting approval for the use by the requesting police department of the unused allotment. If the County Treasurer is satisfied that the requesting police department will meet the requirements of subsection 1 of section 3.7 of this act, the County Treasurer shall make the requested allotment to the requesting police department. (Deleted by amendment.)~~

Sec. 27. ~~(Section 3.7 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:~~

~~Sec. 3.7. 1. A police department shall not expend any portion of an allotment made to it by the County Treasurer pursuant to section 3.5 of this act to employ and equip additional police officers unless:~~

~~(a) The police department employs and equips an equal number of police officers in unfilled budgeted positions for police officers using money other than the proceeds of the increase in the rate of the tax authorized by section 3 of this act (i) and allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005; or~~

~~(b) If, based on the number of budgeted positions for police officers in the police department for the 2013-2014 fiscal year, the police department does not have a sufficient number of unfilled budgeted positions for police officers to match all of the positions that are available for funding with the proceeds of the increase in the rate of the tax authorized by section 3 of this act (j) and allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005, the police department applies~~

for and is granted a waiver from the requirements of paragraph (a) by the Committee on Local Government Finance.

~~2. The Committee on Local Government Finance shall, on or before September 1 of each year, submit a report to the Legislative Commission that sets forth the number of waivers granted by the Committee pursuant to this section during the immediately preceding fiscal year and the reasons for each such waiver. (Deleted by amendment.)~~

Sec. 28 ~~{Section 1 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 2, is hereby amended to read as follows:~~

~~Sec. 1. This act becomes effective upon passage and approval, and expires by limitation on October 1, 2015.} (Deleted by amendment.)~~

Sec. 29 ~~{There is hereby appropriated from the State General Fund to the School Safety Account the sum of \$2,500,000 for the Fiscal Year 2019-2020.~~

~~1. The Department of Education shall transfer money from the appropriation made by subsection 1 to school districts and charter schools for block grants for contract employees, social workers or other licensed mental health workers in schools with identified needs. The money must not be used for administrative expenditures of the Department of Education.~~

~~2. For purposes of the allocations of sums for the block grant program described in subsection 1, eligible licensed social workers or other mental health workers include the following:~~

- ~~(a) Licensed Clinical Social Worker;~~
- ~~(b) Social Worker;~~
- ~~(c) Social Worker Intern with Supervision;~~
- ~~(d) Clinical Psychologist;~~
- ~~(e) Psychologist Intern with Supervision;~~
- ~~(f) Marriage and Family Therapist;~~
- ~~(g) Mental Health Counselor;~~
- ~~(h) Community Health Worker;~~
- ~~(i) School-Based Health Centers; and~~
- ~~(j) Licensed Nurse.~~

~~3. The money appropriated by subsection 1 must be expended in accordance with NRS 353.150 to 353.246, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 353.215 to 353.235, inclusive, after separate consideration of the merits of each request.~~

~~5. Any remaining balance of the monies made by subsection 2 for Fiscal Year 2019-2020 may be carried forward for Fiscal Year 2020-2021, must not be committed for expenditure after June 30, 2021, and does not revert to the State General Fund. (Deleted by amendment.)~~

Sec. 30. ~~1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

~~For the Fiscal Year 2019-2020.....\$1,500,000~~
~~For the Fiscal Year 2020-2021.....\$1,000,000~~

~~2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants to public schools to employ and equip school resource officers or school police officers in schools with identified needs on the basis of data relating to school discipline, violence, climate and vulnerability and the ability of the public school to hire school resource officers or school police officers. The money must not be used for administrative expenditures of the Department of Education.~~

~~3. The money transferred pursuant to subsection 2:~~

~~(a) Must be accounted for separately from any other money received by the school districts and charter schools of this State and used only for the purposes specified in subsection 2;~~

~~(b) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations;~~

~~(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district;~~

~~4. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2019-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 31. 1. There is hereby appropriated from the State General Fund to the School Safety Account the ~~sum of \$17,500,000 for the Fiscal Years 2020-2021,~~ following sums:

For the Fiscal Year 2019-2020.....\$8,340,845
For the Fiscal Year 2020-2021.....\$8,404,930

2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants utilizing a competitive grant process based on demonstrated need, within the limits of legislative appropriation, to school districts ~~[in counties whose population is less than 100,000]~~ and to charter schools for school safety facility improvements.

3. Any remaining balance of the appropriation made by subsection 1, ~~for Fiscal Year 2019-2020 must be added to the money appropriated for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021.~~

Sec. 32. ~~1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

For the Fiscal Year 2010-2020 \$115,000

For the Fiscal Year 2020-2021 \$115,000

~~2. The money appropriated by subsection 1 must be used by the Department of Education to provide threat assessments and trainings and to provide mobile crisis response team services in counties whose population is less than 100,000.~~

~~3. Any remaining balance of the money appropriated by subsection 1 for Fiscal Year 2010-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 33. ~~(1. There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

For the Fiscal Year 2010-2020 \$2,000,000

For the Fiscal Year 2020-2021 \$2,500,000

~~2. The money appropriated by subsection 1 must be used by the Department of Education to support the implementation of a program of social, emotional, and academic development throughout the public schools in this State, including, without limitation, the development and implementation of a strategic plan to carry out full implementation of such programs within 5 years.~~

~~3. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2010-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 34. ~~(1. There is hereby appropriated from the State General Fund to the Other State Education Programs Account in the State General Fund the following sums:~~

For the Fiscal Year 2010-2020 \$2,000,000

For the Fiscal Year 2020-2021 \$2,000,000

~~2. The Department of Education shall use the money appropriated by subsection 1 for competitive state grants to school districts and charter schools for early childhood education programs.~~

~~3. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2010-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 35. ~~(1. There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1217 the following sums:~~

For the Fiscal Year 2019-2020 \$15,875,000

For the Fiscal Year 2020-2021 \$15,875,000

~~2. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 1 of Senate Bill No. 467 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 1 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.~~

~~3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 2 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 36. ~~(1) There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 382.1247 the following sums:~~

For the Fiscal Year 2019-2020 \$15,875,000

For the Fiscal Year 2020-2021 \$15,875,000

~~1. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 2 of Senate Bill No. 467 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 2 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.~~

~~2. Any remaining balance of the transfers made by subsection 1 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 1 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 36.5. ~~(1) There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 382.1247 the following sums:~~

For the Fiscal Year 2019-2020 \$35,091,155

For the Fiscal Year 2020-2021 \$36,848,070

2. The Department of Education shall transfer the sums of money identified in this subsection from the Account for Programs for Innovation and the Prevention of Remediation to the school districts for block grants for the purpose of providing supplemental support to the operation of the school districts. The amount to be transferred for the fiscal year shown is:

	2019-2020	2020-2021
Carson City School District	\$631,574	\$663,384
Churchill County School District	255,461	268,328
Clark County School District	25,892,878	27,197,012
Douglas County School District	458,566	481,662
Elko County School District	772,986	811,919
Esmeralda County School District	5,551	5,831
Eureka County School District	21,379	22,456
Humboldt County School District	273,189	286,949
Lander County School District	78,860	82,832
Lincoln County School District	76,533	80,388
Lyons County School District	681,887	716,231
Mineral County School District	42,868	45,027
Nye County School District	410,922	431,619
Pershing County School District	53,244	55,925
Storey County School District	34,229	35,953
Washoe County School District	5,294,592	5,561,262
White Pine County School District	96,435	101,292

3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must be used for the purpose identified in subsection 2 and does not revert to the State General Fund.

Sec. 37. 1. The Legislature hereby finds and declares that the purpose and intent of this act is to maintain and continue the existing legally operative rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110, at 2 percent and 1.475 percent, respectively, without any changes or reductions in the rates of those taxes pursuant to NRS 360.203, as that section existed before the effective date of this act, for any fiscal year beginning on or after July 1, 2015.

2. Notwithstanding any other provisions of law, in order to accomplish and carry out the purpose and intent of this act:

(a) Any determinations or decisions made or actions taken before the effective date of this section by the Department of Taxation pursuant to NRS 360.203, as that section existed before the effective date of this section.

(1) Are superseded, abrogated and nullified by the provisions of this act, and

(2) Have no legal force and effect; and

(b) The Department shall not, under any circumstances, apply or use those determinations, decisions or actions as a basis, cause or reason to reduce the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 for any fiscal year beginning on or after July 1, 2015.

Sec. 38. ~~Notwithstanding any other provisions of law, the Legislature hereby finds and declares that~~

~~1. The provisions of this act are not severable; and~~

~~2. If any provisions of this act, or any applications thereof to any persons, things or circumstances;~~

~~(a) Are declared invalid by a court of competent jurisdiction in any judicial proceedings; and~~

~~(b) Any available appeals, petitions or other methods of review concerning the judicial proceedings have been exhausted under the rules governing the judicial proceedings;~~

~~such a judicial declaration of invalidity shall be deemed to invalidate the other provisions of this act, whether or not the other provisions of this act can be saved and given effect without the provisions or applications declared invalid by the court; and the invalidation of the other provisions of this act pursuant to this section becomes effective on the date on which the judicial declaration of invalidity becomes final and is no longer subject to any available appeals, petitions or other methods of review under the rules governing the judicial proceedings.) (Deleted by amendment.)~~

Sec. 39. NRS 360.203 is hereby repealed.

Sec. 40. 1. This section ~~and~~ sections ~~{1 to 38, inclusive}~~ 2, 3, 37, ~~38~~ and 39 of this act become effective upon passage and approval.

2. Sections ~~{20 to 36, inclusive}~~ 2, 5, 3, 3, 1, 7, 31 and 36.5 of this act become effective on July 1, 2019.

~~{3. If the provisions of this act are invalidated as provided in section 38 of this act, this act expires by limitation on the date on which the invalidation of the provisions of this act becomes effective as provided in section 38 of this act.}~~

TEXT OF REPEALED SECTION

360.203 Reduction of rate of certain taxes on business under certain circumstances, duties of Department

1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by chapter 363C of NRS for the preceding fiscal year.

2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to

paragraph (c) of subsection 1 of NRS 363.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by chapter 363C of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.

3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.

4. If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:

(a) The Department is no longer required to make the determinations required by subsections 1 and 2; and

(b) The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 3.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senators Cannizzaro, Settelmeyer, Hammond, Hansen, Hardy, Pickard and Ratti

SENATOR CANNIZZARO:

Amendment No. 1120 to Senate Bill No. 551 does several things to change the language of that bill. It removes the provisions included in the original bill relating to the use and sales tax for Clark County or what is commonly referred to as a "More Cops" tax sunset. It also still includes the provisions for the Modified Business Tax (MBT) buy down, and allocates the approximately \$100 million in funds from the MBT buy down to various items within school spending. Specifically, the amendment provides that approximately \$16.7 million would be allocated for school safety; approximately \$7.2 million would be allocated for school districts through the Account for Programs for Innovation and the prevention of remediation for block grants, for supplemental support for each of the school districts, and it adds, over the biennium, \$9.5 million to fund current recipients who receive Opportunity Scholarships.

SENATOR SETTELMAYER:

There is no stamp on this amendment requiring this be a two-thirds vote. There was discussion last night in the Committee meeting that it would have this stamp requiring a two-thirds vote. I would like to know about this.

SENATOR CANNIZZARO:

You are correct; this would include a two-thirds stamp. It would be appropriated onto the bill once legal has reprinted it. It does not appear on the amendment, just as it did not appear on the amendment discussed last night, but that is the intent of the amendment.

SENATOR SETTELMAYER:

That is not how the process works. I am confused as to why this is not in the amendment at this time if it will be in the bill.

SENATOR CANNIZZARO:

On the front page of Amendment No. 1120 to Senate Bill No. 551, there is a small box with tiny print that says, "Adoption of this amendment will ADD a 2/3s majority vote requirement for final passage of S.B. 551." and lists Sections 2, 3, 37 and 39.

SENATOR SETTELMAYER:

I appreciate the discussion on the two-thirds. I am confused by the way the process has been going this Session on the Constitution. The citizens of Nevada clearly stated anything that raises revenue in any form requires two-thirds. I look at other bills we did such as one related to the Department of Motor Vehicles, and it did not have a two-thirds when clearly it moved the sunset. We looked at an Assembly bill that raised the MBT, and it also did not have a two-thirds. The original version of this bill did not have a two-thirds and now we are saying it does, so I am bothered by that fact. The Constitution is not something that can be easily changed by pencil. Because of that, I object to this concept.

SENATOR HAMMOND:

The new amendment is confusing to me because the language looks as if it has not changed. This amendment changes considerable what the parents of the Opportunity Scholarships are used to and what they are going to be able to do. I will speak to that later. I object to the amendment.

SENATOR HANSEN:

I am not on the Committee to deal with this, and I just saw the amendment minutes ago. It mentions it replaces Amendment No. 1097. Did Amendment No. 1097 have the two-thirds requirement included?

SENATOR CANNIZZARO:

The reason for the replacement is that last night, the amendment came out as a Committee amendment. This is a personal amendment since that amendment was not adopted following the Committee Do Pass vote last night.

SENATOR HANSEN:

I heard the two-thirds requirement was put back into the bill, and now it has been pulled out. Is there an amendment missing, or was there never a two-thirds requirement in this bill? In the MBT process, was there ever an amendment that took the two-thirds requirement off or put it back in?

SENATOR CANNIZZARO:

Last night, in the Senate Committee on Finance, during the hearing and work session on Senate Bill No. 551, there was an amendment proposed and originally adopted by the Committee. That is the amendment to which you refer, Amendment No. 1097, which was going to be placed on the bill. Due to time constraints, the bill was pulled from Committee with a Do Pass and no amendment. The amendment you are looking at is the exact same amendment. The difference is, Amendment No. 1120 is a personal amendment on behalf of myself rather than the Committee amendment, which would have been Amendment No. 1097. This amendment, as indicated by the box at the top of Amendment No. 1120 on the front page, says it will add a two-thirds requirement to the bill.

SENATOR HARRY:

Section 36.5 provides supplemental support for the operation of the school districts. Sections 31, 32, 33 and Section 38 are being deleted. This is deleting the Zoom and Victory schools. Is that a new amendment to delete the Zoom and Victory schools and then proposing supplemental support that can be used however wanted, including going back to the Zoom and Victory schools?

SENATOR CANNIZZARO:

You are correct. The bill as originally drafted had money going to the Zoom and Victory programs. That has been amended and certain portions of those funds are now being directed to a block grant that would allow for supplemental support as the districts see needed. Part of the reason for this was to allow greater flexibility for those school districts to take care of the needs they may have.

SENATOR HARDY:

Does it specifically allow them to use that supplemental money for the Zoom and Victory schools?

SENATOR CANNIZZARO:

No, these monies would not go directly to Zoom and Victory schools.

SENATOR PICKARD:

Has the "More Cops" sunset extension been removed, and will it ultimately sunset as originally scheduled?

SENATOR CANNIZZARO:

Those provisions are removed from this bill, however, I believe there is another piece of legislation that addresses this concern.

SENATOR HANSEN:

It says in the amendment that it replaces Amendment No. 1097. No one can find a copy of Amendment No. 1097. I would like to know what we are replacing and would like to have a copy of that amendment. I would like more than an explanation; I would like to be able to read the amendment. Is there a physical copy of Amendment No. 1097?

SENATOR RATTI:

That amendment was adopted in Committee. Last night you may recall, we rescinded that amendment. This means it never made it to the bill. The only difference between the two amendments, cross my heart and hope to die, is that the original amendment had the Committee's name on it, and this amendment has my colleague to my right's name on it because we are past the Committee process and to the place where it has to be an individual amendment. That is the only difference.

SENATOR HANSEN:

I appreciate that explanation, but this is an example of why, when we have things in this mad rush at the last second, it is a problem. We should be able to see all of these things, as should the press and members of the public. The fact we are doing this, on an important bill, in literally the last few hours and having amendment after amendment, is poor legislating.

Amendment adopted.

Bill read third time.

Senator Cannizzaro moved that the Senate take a brief recess.

Motion carried.

Senate in recess at 11:46 a.m.

SENATE IN SESSION

At 11:47 a.m.

President Marshall presiding.

Quorum present.

Remarks by Senators Cannizzaro, SeEVERS Gansert, Settelmeyer, Hammond, Kieckhefer, Pickard and Hardy.

SENATOR CANNIZZARO:

I rise in strong support of Senate Bill No. 551. Throughout this Legislative Session and in the Committee hearing, we discussed the provisions of Senate Bill No. 551. There is not a person in this Chamber who would disagree we have an utmost obligation to ensure we are putting funding towards education, we must do everything we can to ensure we are putting funding towards education.

A few days ago, I rose on the Floor of this Senate in strong support of one of the many things we are doing to improve education in this State. I would like to remind the Body that I speak as someone who, but for the opportunity to get an education, would not be here with all of you. My parents worked hard every day to make sure we had a roof over our heads and food on the table. The one thing my parents told me, was if I went to school, got an education and worked hard, I could do anything I wanted. The one thing I wanted to do more than anything in life was to be a lawyer; it is what I wanted to do since I could remember, and because I was able to get a good education and had teachers in the classroom who cared about me, I was able to do that. However, kids like me who have parents who do not have an education and have no other opportunity except that presented to them through an education, cannot succeed if we, in this Body, do not take it very seriously to fund education and put money where it belongs.

Over the course of this Legislative Session we have done that; we have put more money in education than ever has been put in education in a very long time. That is going to make a difference for students. We have been diligent in ensuring we keep that in the forefront of our minds as we look at the structures around our education funding; around how we support our students; around how we support our teachers; and how we ensure every kid gets the same opportunities I had. It is not, however, complete, and that is what Senate Bill No. 551 does.

Senate Bill No. 551 recognizes that yes, we can say we have done enough, we can walk away from this Legislative Session and say we have done enough with everything we have done, but for me, that is not good enough. For me, that is not good enough because we have an opportunity to take a funding source that will exist in the future and put it towards education. If that is not what we are here to do, then I am not sure why we are here at all. I understand there are other things that accompany the idea of voting for Senate Bill No. 551, but when we are willing to work together to ensure we are putting forth smart policy that should be in the forefront, Senate Bill No. 551 is going to provide not only additional funds for school safety—where we know we can spend it appropriately—but it is also going to allow students who were given Opportunity Scholarships to remain on those scholarships for the duration of their education. More importantly, it is going to put more money into school districts, which we know is going to ensure we are putting education first.

I could not stand on this Floor in more support of something this Session. Education funding for me, being able to affect and being able to stand here and say we are putting students and teachers first, is the foundation of why I stand on the Floor of this Senate. Senate Bill No. 551 is absolutely the right thing to do for Nevadans and for students. I urge this Body's support.

SENATOR SEEVERS GANSERT:

I stand among my colleagues on the Senate Floor with a message for them, but also for the citizens, voters and the taxpayers of Nevada, we are accountable to you. You trust us to make decisions that affect our schools, your job security and your quality of life. It is an honor and a privilege to serve you; you elected us to represent you in order to get the people's work done.

In response to Governor's Sisolak's State of the State address, Republicans pledged to find common ground with our colleagues and join together for a common purpose to address immediate and long-term concerns for the common good, and we have. We joined our colleagues to prioritize education.

We enjoy a budget surplus, not a deficit. The Economic Forum forecast over \$600 million more in revenue than the last Biennial Budget. We worked with fiscal staff and, as of this morning, we have confirmed that there remains \$100 million of unallocated funds. Again, over \$100 million of unallocated funds. Over a week ago, Senate Republicans proposed to require all unallocated funds

available during the last days of Session be allocated for education, our joint priority, education. We proposed to safeguard our students by fully funding school safety. We added funds to the Read by Three program and pre-K, and we continued current levels of funding for Nevada's Opportunity Scholarship program. We have been transparent in our work and our proposals, and we will continue to be accountable and transparent in our work.

While this bill includes education, there is no transparency included regarding why more money is needed, especially when fiscal staff has confirmed there are unappropriated funds available to fully cover what is contemplated in this legislation. We agree. We support education. We prioritize education, but we know Nevadans need more transparency in this process and an accounting of why more funds are required. I cannot support Senate Bill No. 551.

SENATOR SETTELMAYER:

I rise in opposition to Senate Bill No. 551. The process this bill has gone through is a subject we have been talking about since the first day of Session. This bill is about one thing, the Constitutional question asked a long time ago. We had a good debate on the amendment, and I appreciate that. I disagree on the process; this type of bill should be discussed. We adjourned the Senate Committee on Finance at 11:47 and came behind the bar at 12:30. I question that this bill could not have been processed for those reasons.

We have an increase in revenue of over \$125 million in surplus at this point. If we wish to accomplish the goals of this bill, we could make that decision now and have our priorities. I have sat with leadership and tried to figure out the priorities and where the current money goes so we can have that discussion. That is what this bill is about, it is about the funds. We would like to know where the funds we have spent have gone and if more funds are necessary. In the past, I have indicated I am willing to have that discussion. I do not feel that discussion happened, and for those reasons, I oppose Senate Bill No. 551.

SENATOR HAMMUND:

I rise in opposition to the bill. We looked at the amendment. The rescinded amendment we heard in Committee last night was not friendly to Opportunity Scholarships and did not allow for the addition of siblings. I am trying to process the new amendment to see if that is still in place or if it allows for additional students to be added to the program. The language in subsection 6 does not allow transfer of funds from one entity to another, and I am concerned about that. If one entity is running out of funds and a child is receiving an Opportunity Scholarship, it does not appear to allow the student who is running out of funds to go to a different organization to get additional funds to remain in their school of choice. We have many great schools coming online, both in Las Vegas and eventually in the north, schools like Crystal Bay a highly anticipated and an innovative school model that will be opening in North Las Vegas this summer with a mission to exclusively serve low-income students. It is likely they will not be able to serve as many students as we had previously thought with these scholarship levels.

My colleague from District 15 stated we have looked at and talked about the numbers, and know the money is there. We should be fully funding the program, not cutting the legs out from under those who are in the program or would like to get into it, especially the siblings of those who are in the program so parents do not have to make a decision about where their children go to school. This would allow siblings to go to the same school as the program grows. This is about allowing children to get into schools where they feel they will get the right education and feel safe from whatever conditions they are leaving. For those reasons, I cannot support this shortsighted aspect of funding education. We have repeatedly pointed out that we have a surplus of \$100 million we can tap into to fully fund the programs we are discussing. I cannot support this bill.

SENATOR KUECKHEFER:

Senate Bill No. 551 deals with many things on which we agree. I share my colleague's priority on putting the funding that is available to us into our K-12 education system. I think you would be hard-pressed to find someone on the Floor of this Senate who disagrees. We have the resources to do so, and I urge us to focus those resources in that way. I have been clear since before this Legislative Session started that I would not support a proposal to eliminate the trigger on the Modified Business Tax (MBT) buy down.

I have never been accused of being a no-new-taxes firebrand. The other night, the Senate Democrat's Twitter feed pointed out all the times I voted to raise taxes for education. I am proud of my record supporting education in our State. That included 2015, when another party was in charge of this process, and we raised \$1 billion in new money to fund education. Senate Bill No. 483 raised additional money for education that included the Commerce Tax, a dollar a pack on cigarettes, business license fees and a substantive increase in the Modified Business Tax (MBT). When we imposed this in 2015, we lowered the threshold for who had to pay it from \$85,000 in quarterly payroll to \$50,000 in quarterly payroll and captured more and smaller businesses into the MBT. We also increased the rate from 1.17 percent to 1.475 percent. We captured more Nevada small businesses into paying this tax and raised the rate. We also incorporated mining into the upper tier to ensure they were included in the process.

As we were looking at the process to increase education funding, we also recognized we were raising taxes on many small businesses while simultaneously creating the Commerce Tax to generate new money from the largest businesses in our State. While we struggled with this because no one wants to raise taxes on small business, we felt it was the appropriate move at the time because we were not certain what the revenues were going to be from the Commerce Tax. The Modified Business Tax was a way to counterbalance that. The decision was made that when Commerce Tax revenues came in above projection, we would give relief to the small businesses being hit by the increase in the MBT, particularly the lowering of the floor from \$85,000 a quarter to \$50,000 a quarter payroll. That was intentional, and it was done for a purpose. It was critical to finding the votes and putting the votes together for the package included in the bill to fund education in our State. That intention was true at the time and remains true today. The proposal to eliminate it is what prevents me from voting for this bill. From an expenditure perspective, we have the money to fund what is being proposed in this bill without the elimination of the Modified Business Tax buy down. I suggest we do so.

SENATOR PICKARD

Although there have been many points included in Senate Bill No. 551 upon which we have agreed, the bill has unfortunately been divisive from the start, and it should not have been. In this Body, there are 13 in the majority and 8 in the minority, but I want to speak for a moment to the 13 other people. You told us in 1994 and 1996 that you wanted a higher threshold for tax increases. I am with you. You told us you wanted to make schools safer, particularly in light of more recent events. I am with you. You told us you wanted Opportunity Scholarships to give the most needed and deserving students an opportunity for success they could not have otherwise. I am with you. You told us you wanted cooperation and bipartisanship and not the divisiveness we see in Washington D.C.; I am with you. Unfortunately, only the group of 8 seems to be with you now. Everyone but apparently the group of 13 says this bill falls short.

Indeed, as my colleague from District 15 has eloquently put forth, we have a surplus, and we can do this without raising taxes. The Majority has used the bill on several occasions to hold our children hostage, putting their safety in the crossfire of political gamesmanship. They have bluffed with more cops on the street, and we have called them on it. Now, they are trying to stuff this education funding bill with a tax increase. They have stuffed so much pork into this turkey that it is coming out the beak. We have 12 hours in go to do better for students, parents and teachers. I urge my colleagues to do the right thing and vote this bill down and demand a clean education funding bill.

SENATOR HARDY

I stand dismayed. If I were to do the math and come up with one party who has \$100 million of unallocated funds, I would invite the Executive Branch, the Majority party and the fiscal people to get in the same room and figure out what we do and do not have. If we have \$100 million in unallocated funds, and I look at the amount we are using in supplemental funds of approximately \$72 million, we have the opportunity to have even more money to use if we find a need for it. There are two issues: one is the amount of money, and one is where the money goes. If we are looking for a larger amount, where does it go and what does it go toward? These are rational things to consider. If we have this disagreement, I think we can come to some kind of agreement. We do not have to have a winner and a loser.

I have voted for taxes before; I admit it, and I have admitted it to my party. The taxes went to something, and I felt good about where they went. I do not feel badly about doing the Opportunity Scholarships, and I do not feel badly about funding education, we need to find it curious we are writing the Modified Business Tax buy down. I do not think I need to break my word by now voting for something I said I did not want to do in 2015 when I voted for the raise in the Commerce Tax. We are riding the wrong horse with the Modified Business Tax buy down. We are riding a horse that is richer than we realize by some rational fiscal calculations. We need to get in the same room and come to an agreement. I hope that happens fairly soon.

SENATOR CANNIZZARO

One of the more interesting things is the characterization that we somehow have a budget surplus in this State, that somehow, we are funding everything with such revenue streams, and we are flush with cash to pay for every little want and wish for which anyone could hope. I can assure this Body, that is not the case. What has happened this Session is our Finance and Ways and Means Chairs, along with their dedicated committee members whom we appreciate, have done a remarkable job to ensure we are spending very fiscally responsibly. That has resulted in some leftover money in the budget, but to be sure, it is not a surplus that will fund education long term. Either we can sit here and say that today, in this moment, there may be some money to put into education, we can say we believe in funding education long term because that need does not go away, or we are just arguing semantics. There is no budget surplus to the extent it will continue to fund education for the long term and moving into the bienniums. I urge my colleagues to consider that when looking at the substance of Senate Bill No. 551 and what we are asking.

One of the more interesting things that happened at the hearing was the notion of the Modified Business Tax and the buy down. There seems to be a lot of opposition to that. Most of the individuals who testified on behalf of businesses that are paying this tax testified this is not a tax they had an issue paying. Some even testified they would like it to be higher. The idea we are going to now stand on principle because we should not be rolling this tax back because there is not a need, or we can just cut back on things like Medicaid, food for the elderly, aging and disability services, health and human services or any number of things in that giant budget to fund education in the very short term, is misguided. I cannot stand for that. I especially cannot stand for it when the objectives of individuals who are paying the tax is that it should have been a two-thirds. I have heard that, and I have considered it.

What this bill does is say we understand that. If this is the concern, we are meeting you halfway. If it is not the concern, I am not sure what the concern is. We have the sunset of a tax that has been sunsetted time and time again. The idea that we found education had such a need that we were going to do this as part of a tax package, and now are not recognizing this need still exists to the extent we would be willing to again sunset a tax we have sunsetted multiple times, is beyond my comprehension. It might be the case we are going to choose to say we no longer need this because we now find ourselves with money that is one-time or cannot fund education in the long term, and are going to go back to a conversation about how this tax would sunset and we believe in it, but the need and reason why this tax exists is still there. If the need is still there, we have an obligation to fund it.

If we are talking about a two-thirds requirement on the front of a bill so we can ask for a two-thirds vote, we are asking for a two-thirds vote from our colleagues. We are meeting them halfway. We are hearing that concern and saying we can work in a bipartisan manner. We can work with them to say the money will go to education. We can say we will work with them to say we want them to join us in seeing that through. If that is not the issue, the only issues I have heard are that there is a budget surplus, which is wholly inaccurate, and that they do not want to extend the tax. This is a choice between giving corporate tax breaks, funding education or ensuring a funding stream that will continue and not just in the very short term. For a State in which everyone recognizes this is important, that education funding is important, I just do not understand.

In this position, in all of our positions, we have to make decisions; that is why we are here. The decision on this is easy. It is not to stand on semantics. It is not to say we believe we can continue to say there are different reasons why, or we do not want to increase revenue to the State because of a tax buy down we voted for in the past and people do not mind paying. We can stand here and say there was a budget surplus because we have managed to take money and not fund some things.

and have made difficult choices about where to put that money, or we can say we recognize there is a way we can fund education in a smart and efficient manner. I think that is absolutely the decision this Body is being asked to make. We can either choose to give corporate tax breaks, or we can choose to fund education. We are meeting you halfway to do that. I urge my colleagues' support.

Senators Brooks, Parks and Scheible moved the previous question.
Motion carried.

Senators Settelmeyer, Pickard and Hammond requested a roll call vote on Senators Brook's, Park's and Scheible's motion.

Roll call on Senator Brook's, Park's and Scheible's motion.

YEAS—13

NAYS—Goicoechea, Hammond, Hansen, Hardy, Kleckhefer, Pickard, Seever, Gansert, Settelmeyer—8

Motion carried.

The question being on the passage of Senate Bill No. 551.

Roll call on Senate Bill No. 551.

YEAS—13

NAYS—Goicoechea, Hammond, Hansen, Hardy, Kleckhefer, Pickard, Seever, Gansert, Settelmeyer—8

Senate Bill No. 551 having failed to receive a two-thirds majority, Madam President declared it lost.

Senator Denis moved that the action whereby the bill was lost be reconsidered.

Motion carried.

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

Motion carried.

Senate in recess at 12:15 p.m.

SENATE IN SESSION

At 12:30 p.m.

President Marshall presiding.

Quorum present.

Senator Cannizzaro moved that the action whereby Amendment No. 1120 to Senate Bill No. 551 was adopted be rescinded.

Motion carried.

Bill read third time.

The following amendment was proposed by Senator Cannizzaro:

Amendment No. 1121.

SUMMARY—Revises provisions relating to state financial administration. (BDR 32:1286)

AN ACT relating to state financial administration, ~~providing provisions governing the administration of certain taxes authorized by the Clark County~~

~~Crimo Prevention Act of 2016 and the Clark County Sales and Use Tax Act of 2005, providing for certain proceeds from the taxes authorized by the Clark County Sales and Use Tax Act of 2005 to be used to employ and equip additional school police officers in the Clark County School District; removing the prospective expiration of the Clark County Sales and Use Tax Act of 2005 and amendments and other provisions relating thereto; eliminating certain duties of the Department of Taxation relating to the commerce tax and the payroll taxes imposed on certain businesses; continuing the existing legally operative rates of the payroll taxes imposed on certain businesses; revising provisions governing the credits against the payroll taxes imposed on certain businesses for taxpayers who donate money to a scholarship organization, eliminating the education savings accounts program, making appropriations for certain purposes relating to school safety [early childhood education and Zoom and Victory schools] and to provide supplemental support of the operation of the school districts, and providing other matters properly relating thereto.~~

Legislative Council's Digest.

~~[Existing law authorizes the Board of County Commissioners of Clark County to impose a sales and use tax in Clark County to employ and equip additional police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department. (Clark County Sales and Use Tax Act of 2005) A police department is prohibited from spending the proceeds of the tax unless the expenditure has been approved by a designated body and only if the use will not replace or supplant existing funding for the police department. (Section 13 of chapter 219, Statutes of Nevada 2005, as amended by chapter 497, Statutes of Nevada 2011, p. 2158) Section 10 of this bill authorizes 50 percent of the proceeds of the tax in excess of the amount collected during Fiscal Year 2018-2019 to be transferred each month to the Clark County School District for the purposes of employing and equipping additional school police officers. Sections 1, 10, 11, 22, 26 and 27 of this bill make conforming changes to impose generally similar requirements on the Clark County School District as are imposed on police departments that receive proceeds of the tax.~~

~~The Clark County Sales and Use Tax Act of 2005 is set to expire on October 1, 2025. (Section 22 of chapter 219, Statutes of Nevada 2005, p. 217) Sections 23-25 and 28 of this bill remove the prospective expiration of the Act and amendments thereto, thereby authorizing the imposition of such a tax in Clark County after October 1, 2025.]~~

Existing law imposes an annual commerce tax on each business entity whose Nevada gross revenue in a fiscal year exceeds \$4,000,000, with the rate of the commerce tax based on the industry in which the business entity is primarily engaged. (NRS 363C.200, 363C.300-363C.560) Existing law also imposes:

(1) a payroll tax on financial institutions and on mining companies subject to

the tax on the net proceeds of minerals, with the rate of the payroll tax set at 2 percent of the amount of the wages, as defined under existing law, paid by the financial institution or mining company during each calendar quarter in connection with its business activities; and (2) a payroll tax on other business entities, with the rate of the payroll tax set at 1.475 percent of the amount of the wages, as defined under existing law but excluding the first \$50,000 thereof, paid by the business entity during each calendar quarter in connection with its business activities. (NRS 363A.130, 363B.110, 612.190) However, a business entity that pays both the payroll tax and the commerce tax is entitled to a credit against the payroll tax of a certain amount of the commerce tax paid by the business entity. (NRS 363A.130, 363B.110)

Existing law further establishes a rate adjustment procedure that is used by the Department of Taxation to determine whether the rates of the payroll taxes should be reduced in future fiscal years under certain circumstances. Under the rate adjustment procedure, on or before September 30 of each even-numbered year, the Department must determine the combined revenue from the commerce tax and the payroll taxes for the preceding fiscal year. If that combined revenue exceeds a certain threshold amount, the Department must make additional calculations to determine future reduced rates for the payroll taxes. However, any future reduced rates for the payroll taxes do not go into effect and become legally operative until July 1 of the following odd-numbered year. (NRS 360.203) This rate adjustment procedure was enacted by the Legislature during the 2015 Legislative Session and became effective on July 1, 2015. (Sections 62 and 114 of chapter 487, Statutes of Nevada 2015, pp. 2896, 2955) Since July 1, 2015, no future reduced rates for the payroll taxes have gone into effect and become legally operative based on the rate adjustment procedure. As a result, the existing legally operative rates of the payroll taxes are still 2 percent and 1.475 percent, respectively. (NRS 363A.130, 363B.110)

Section 39 of this bill eliminates the rate adjustment procedure used by the Department of Taxation to determine whether the rates of the payroll taxes should be reduced in any fiscal year. Section 37 of this bill maintains and continues the existing legally operative rates of the payroll taxes at 2 percent and 1.475 percent, respectively, without any changes or reductions in the rates of those taxes pursuant to the rate adjustment procedure for any fiscal year. Section 37 also provides that the Department must not apply or use the rate adjustment procedure to determine any future reduced rates for the payroll taxes for any fiscal year. Sections 2 and 3 of this bill make conforming changes.

[Sections 29-32 of this bill make appropriations for certain purposes relating to school safety. Specifically, section 29 of this bill makes an appropriation for the costs of public schools to retain social workers or other licensed mental health workers. Section 30 of this bill makes an appropriation for the costs of employing and equipping additional school resource officers or school police.

~~officers.)~~ Existing law establishes a credit against the payroll tax paid by certain businesses equal to an amount which is approved by the Department and which must not exceed the amount of any donation of money which is made by a taxpayer to a scholarship organization that provides grants on behalf of pupils who are members of a household with a household income which is not more than 300 percent of the federally designated level signifying poverty to attend schools in this State, including private schools, chosen by the parents or legal guardians of those pupils (NRS 363A.130, 363B.110). Under existing law, the Department: (1) is required to approve or deny applications for the tax credit in the order in which the applications are received by the Department; and (2) is authorized to approve applications for each fiscal year until the amount of tax credits approved for the fiscal year is the amount authorized by statute for that fiscal year. Assembly Bill No. 458 of this legislative session establishes that for Fiscal Years 2019-2020 and 2020-2021, the amount authorized is \$6,655,000 for each fiscal year. Sections 2.5 and 3.5 of this bill authorize the Department to approve, in addition to the amount of credits authorized for Fiscal Years 2019-2020 and 2020-2021, an amount of tax credits equal to \$4,745,000 for each of those fiscal years. Section 30.75 of this bill: (1) prohibits a scholarship organization from using a donation for which the donor received a tax credit to provide a grant on behalf of a pupil unless the scholarship organization used a donation for which the donor received a tax credit to provide a grant on behalf of the pupil for the immediately preceding scholarship year or reasonably expects to provide a grant of the same amount on behalf of the pupil for each school year until the pupil graduates from high school; and (2) requires a scholarship organization to repay the amount of any tax credit approved by the Department if the scholarship organization violates this provision.

Senate Bill No. 302 (S.B. 302) of the 78th Session of the Nevada Legislature established the education savings accounts program, pursuant to which grants of money are made to certain parents on behalf of their children to defray the cost of instruction outside the public school system. (Chapter 332, Statutes of Nevada 2015, p. 1824; NRS 353B.700-353B.930) Following a legal challenge of S.B. 302, the Nevada Supreme Court held in *Schwartz v. Lopez*, 132 Nev. 732 (2016), that the legislation was valid under Section 2 of Article 11 of the Nevada Constitution, which requires a uniform system of common schools, and under Section 10 of Article 11 of the Nevada Constitution, which prohibits the use of public money for a sectarian purpose. However, the Nevada Supreme Court found that the Legislature did not make an appropriation for the support of the education savings accounts program and held that the use of any money appropriated for K-12 public education for the education savings accounts program would violate Sections 2 and 6 of Article 11 of the Nevada Constitution. The Court enjoined enforcement of section 16 of S.B. 302, which amended NRS 387.124 to require that all money deposited in education savings accounts be subtracted from each school district's quarterly

appropriations from the State Distributive School Account. Because the Court has enjoined this provision of law and the Legislature has not made an appropriation for the support of the education savings accounts program, the education savings accounts program is not operating. Section 39.5 of this bill eliminates the education savings accounts program. Sections 30.1-30.7 and 30.8-30.95 of this bill make conforming changes related to the elimination of the education savings accounts program.

Section 31 of this bill makes an appropriation for the costs of school safety facility improvements. [Section 32 of this bill makes an appropriation for the costs of providing threat assessments and trainings and providing mobile crisis response team services in certain counties. Section 33 of this bill makes an appropriation to support the implementation of a program of social, emotional and academic development throughout the public schools of this State. Additionally, section 34 of this bill makes an appropriation for early childhood education programs in public schools. Finally, sections 35 and 36 of this bill make appropriations to provide supplemental funding for the Zoom and Victory schools programs to increase the number of schools served by such programs and supplement the services provided at such schools.]

Section 38 of this bill declares that the provisions of this bill are not severable and that a judicial declaration of invalidity of any portion of this bill shall be deemed to invalidate all provisions of this bill. Section 40 of this bill expressly expires by limitation all provisions of this bill upon such a judicial declaration of invalidity.] Section 36.5 of this bill makes an appropriation to provide supplemental support to the operations of the school districts of this State, distributed in amounts based on the 2018 enrollment of the school districts of this State.

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

Section 1. ~~{NRS 360.200 is hereby amended to read as follows:~~

~~360.200 The Department may exercise {the}~~

~~1. The specific powers enumerated in this chapter {and, except} or any other law; and~~

~~2. Except as otherwise provided {by} in this chapter or any other law, {may exercise} general supervision and control over the entire revenue system of the State, including, without limitation, the administration of the provisions of chapter 207, Statutes of Nevada 1955, as amended {NRS} and codified in chapter 273 {,} of NRS, or any special legislative act authorizing or providing for such administration by the Department.} {Deleted by amendment.}~~

Sec. 2. NRS 363A.130 is hereby amended to read as follows:

363A.130 1. ~~{Except as otherwise provided in NRS 360.203, there}~~
There is hereby imposed an excise tax on each employer at the rate of 2 percent of the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer.

2. The tax imposed by this section.

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this section for that calendar quarter.

4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to chapter 363C of NRS for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

5. An employer who makes a donation of money to a scholarship organization during the calendar quarter for which a return is filed pursuant to this section is entitled, in accordance with NRS 363A.139, to a credit equal to the amount authorized pursuant to NRS 363A.139 against any tax otherwise due pursuant to this section. As used in this subsection, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 2.5 NRS 363A.139 is hereby amended to read as follows:

363A.139 1. Any taxpayer who is required to pay a tax pursuant to NRS 363A.130 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before making such a donation, notify the scholarship organization of the taxpayer's intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and

provide to the scholarship organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection is.

(a) For Fiscal Year 2015-2016, \$5,000,000,

(b) For Fiscal Year 2016-2017, \$5,500,000, and

(c) For each succeeding fiscal year, an amount equal to 110 percent of the amount authorized for the immediately preceding fiscal year.

~ The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. ~~4.~~ Except as otherwise provided in this subsection, in addition to the amount of credits authorized by subsection 4 for Fiscal Year 2017-2018, Years 2019-2020 and 2020-2021, the Department of Taxation may approve applications for the credit authorized by subsection 1 for ~~4.~~ each of those fiscal years until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363B.119 is ~~(\$20,000,000.)~~ \$1,745,000. The provisions of paragraph (c) of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to that paragraph. If, in Fiscal Year ~~(2017-2018,) 2019-2020 or 2020-2021,~~ the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than ~~(\$20,000,000.)~~ \$1,745,000, the remaining amount of credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~(\$20,000,000.)~~ \$9,490,000. The amount of any credit which is forfeited

pursuant to subsection 2 must not be considered in calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 3. NRS 363B 110 is hereby amended to read as follows.

363B.110 1. ~~{Except as otherwise provided in NRS 360.203, there}~~ *There* is hereby imposed an excise tax on each employer at the rate of 1.475 percent of the amount by which the sum of all the wages, as defined in NRS 612.190, paid by the employer during a calendar quarter with respect to employment in connection with the business activities of the employer exceeds \$50,000.

2. The tax imposed by this section.

(a) Does not apply to any person or other entity or any wages this State is prohibited from taxing under the Constitution, laws or treaties of the United States or the Nevada Constitution.

(b) Must not be deducted, in whole or in part, from any wages of persons in the employment of the employer.

3. Each employer shall, on or before the last day of the month immediately following each calendar quarter for which the employer is required to pay a contribution pursuant to NRS 612.535:

(a) File with the Department a return on a form prescribed by the Department; and

(b) Remit to the Department any tax due pursuant to this chapter for that calendar quarter.

4. In determining the amount of the tax due pursuant to this section, an employer is entitled to subtract from the amount calculated pursuant to subsection 1 a credit in an amount equal to 50 percent of the amount of the commerce tax paid by the employer pursuant to chapter 363C of NRS for the preceding taxable year. The credit may only be used for any of the 4 calendar quarters immediately following the end of the taxable year for which the commerce tax was paid. The amount of credit used for a calendar quarter may

not exceed the amount calculated pursuant to subsection 1 for that calendar quarter. Any unused credit may not be carried forward beyond the fourth calendar quarter immediately following the end of the taxable year for which the commerce tax was paid, and a taxpayer is not entitled to a refund of any unused credit.

5. An employer who makes a donation of money to a scholarship organization during the calendar quarter for which a return is filed pursuant to this section is entitled, in accordance with NRS 363B 119, to a credit equal to the amount authorized pursuant to NRS 363B 119 against any tax otherwise due pursuant to this section. As used in this subsection, "scholarship organization" has the meaning ascribed to it in NRS 388D 260.

Sec 3.5. NRS 363B 119 is hereby amended to read as follows:

363B.119 1. Any taxpayer who is required to pay a tax pursuant to NRS 363B.110 may receive a credit against the tax otherwise due for any donation of money made by the taxpayer to a scholarship organization in the manner provided by this section.

2. To receive the credit authorized by subsection 1, a taxpayer who intends to make a donation of money to a scholarship organization must, before making such a donation, notify the scholarship organization of the taxpayer's intent to make the donation and to seek the credit authorized by subsection 1. A scholarship organization shall, before accepting any such donation, apply to the Department of Taxation for approval of the credit authorized by subsection 1 for the donation. The Department of Taxation shall, within 20 days after receiving the application, approve or deny the application and provide to the scholarship organization notice of the decision and, if the application is approved, the amount of the credit authorized. Upon receipt of notice that the application has been approved, the scholarship organization shall provide notice of the approval to the taxpayer who must, not later than 30 days after receiving the notice, make the donation of money to the scholarship organization. If the taxpayer does not make the donation of money to the scholarship organization within 30 days after receiving the notice, the scholarship organization shall provide notice of the failure to the Department of Taxation and the taxpayer forfeits any claim to the credit authorized by subsection 1.

3. The Department of Taxation shall approve or deny applications for the credit authorized by subsection 1 in the order in which the applications are received.

4. Except as otherwise provided in subsection 5, the Department of Taxation may, for each fiscal year, approve applications for the credit authorized by subsection 1 until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection is:

- (a) For Fiscal Year 2015-2016, \$5,000,000,
- (b) For Fiscal Year 2016-2017, \$5,500,000, and

(c) For each succeeding fiscal year, an amount equal to 110 percent of the amount authorized for the immediately preceding fiscal year.

↪ The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized for any fiscal year.

5. In addition to the amount of credits authorized by subsection 4 for Fiscal ~~Year 2017-2018;~~ Years 2019-2020 and 2020-2021, the Department of Taxation may approve applications for the credit authorized by subsection 1 for ~~that each of those fiscal years~~ until the total amount of the credits authorized by subsection 1 and approved by the Department of Taxation pursuant to this subsection and subsection 5 of NRS 363A.139 is ~~(\$20,000,000) \$1,745,000~~. The provisions of paragraph (c) of subsection 4 do not apply to the amount of credits authorized by this subsection and the amount of credits authorized by this subsection must not be considered when determining the amount of credits authorized for a fiscal year pursuant to that paragraph. If, in Fiscal Year ~~2017-2018;~~ 2019-2020 or 2020-2021, the amount of credits authorized by subsection 1 and approved pursuant to this subsection is less than ~~(\$20,000,000) \$1,745,000~~, the remaining amount of credits pursuant to this subsection must be carried forward and made available for approval during subsequent fiscal years until the total amount of credits authorized by subsection 1 and approved pursuant to this subsection is equal to ~~(\$20,000,000) \$9,490,000~~. The amount of any credit which is forfeited pursuant to subsection 2 must not be considered in calculating the amount of credits authorized pursuant to this subsection.

6. If a taxpayer applies to and is approved by the Department of Taxation for the credit authorized by subsection 1, the amount of the credit provided by this section is equal to the amount approved by the Department of Taxation pursuant to subsection 2, which must not exceed the amount of the donation made by the taxpayer to a scholarship organization. The total amount of the credit applied against the taxes described in subsection 1 and otherwise due from a taxpayer must not exceed the amount of the donation.

7. If the amount of the tax described in subsection 1 and otherwise due from a taxpayer is less than the credit to which the taxpayer is entitled pursuant to this section, the taxpayer may, after applying the credit to the extent of the tax otherwise due, carry the balance of the credit forward for not more than 5 years after the end of the calendar year in which the donation is made or until the balance of the credit is applied, whichever is earlier.

8. As used in this section, "scholarship organization" has the meaning ascribed to it in NRS 388D.260.

Sec. 4. ~~NRS 361.602 is hereby amended to read as follows:~~
~~361.602. 1. The board of trustees of any county school district, the board of hospital trustees of any county hospital or the board of trustees of any consolidated library district or district library may establish and administer separate accounts in~~

~~—(c) A bank whose deposits are insured by the Federal Deposit Insurance Corporation;~~

~~—(b) A credit union whose deposits are insured by the National Credit Union Share Insurance Fund or by a private insurer approved pursuant to NRS 678.755; or~~

~~—(c) A savings and loan association or savings bank whose deposits if made by the State, a local government or an agency of either, are insured by the Federal Deposit Insurance Corporation, or the legal successor of the Federal Deposit Insurance Corporation;~~

~~— for money deposited by the county treasurer which is by law to be administered and expended by those boards;~~

~~2. The county treasurer shall transfer the money to a separate account pursuant to subsection 1 when the following conditions are met:~~

~~—(a) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library adopts a resolution declaring an intention to establish and administer a separate account in accordance with the provisions of this section;~~

~~—(b) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library sends a certificate to the county treasurer, the county auditor, the board of county commissioners and, in the case of the board of trustees of the county school district, to the Department of Education, attested by the secretary of the board, declaring the intention of the board to establish and administer a separate account in accordance with the provisions of this section;~~

~~—(c) The board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library submits monthly reports, listing all transactions involving the separate account, to the county treasurer, the county auditor and the board of county commissioners. The reports must be certified by the secretary of the board. In addition, the board shall give a full account and record of all money in such an account upon request of the board of county commissioners;~~

~~3. The separate account of the board of trustees of the county school district established under the provisions of this section must be composed of:~~

~~—(a) The county school district fund; (b) and~~

~~—(b) The county school district building and sites fund;~~

~~—(c) Any other fund authorized as required by law;~~

~~4. The separate account established by the board of county hospital trustees is designated the county hospital fund;~~

~~5. The separate account of the board of trustees of the consolidated library district or district library established under the provisions of this section must be composed of:~~

~~—(a) The fund for the consolidated library or district library, as appropriate, and~~

~~—(b) The capital projects fund of the consolidated library or district library, as appropriate.~~

~~6. No expenditures from an account may be made in excess of the balance of the account.~~

~~7. Each account must support all expenditures properly related to the purpose of the fund, including direct payments of principal and interest on general obligation bonds, and including, but not limited to, debt service, capital projects, capital outlay and operating expenses.~~

~~8. The board of county commissioners, if it determines that there is clear evidence of misuse or mismanagement of money in any separate account, may order the closing of the account and the return of the money to the county treasury to be administered in accordance with existing provisions of law. The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library is entitled to a hearing before the board of county commissioners. (Deleted by amendment.)~~

Sec. 5. NRS 387.175 is hereby amended to read as follows:

~~387.175. (The) 1. Except as otherwise provided in this section, the county school district fund is composed of:~~

~~(1) (a) All local taxes for the maintenance and operation of public schools;~~

~~(2) (b) All money received from the Federal Government for the maintenance and operation of public schools;~~

~~(3) (c) Apportionments by this State as provided in NRS 387.131;~~

~~(4) (d) Any other receipts, including gifts, for the operation and maintenance of the public schools in the county school district.~~

~~2. If the board of trustees of a county school district is allotted any money to employ and equip additional school police officers pursuant to any special legislative act, the money must be:~~

~~(a) Deposited in the appropriate fund in the manner required by the special legislative act; and~~

~~(b) Used only for the purposes authorized by the special legislative act. (Deleted by amendment.)~~

Sec. 6. NRS 387.180 is hereby amended to read as follows:

~~387.180. (The) 1. Except as otherwise provided in this section, the board of trustees of each county school district shall pay all moneys received by it for school purposes into the county treasury at the end of each month to be placed to the credit of the county school district fund or the county school district buildings and sites fund as provided for in this chapter, except when the board of trustees of a county school district has elected to establish and administer a separate account under the provisions of NRS 384.603.~~

~~2. If the board of trustees of a county school district is allotted any money to employ and equip additional school police officers pursuant to any special legislative act, the money must be:~~

~~(a) Deposited in the appropriate fund in the manner required by the special legislative act; and~~

~~(b) Used only for the purposes authorized by the special legislative act.~~
(Deleted by amendment.)

Sec. 7. [Section 13 of the Clark County Crime Prevention Act of 2016, being chapter 1, Statutes of Nevada 2016, 20th Special Session at page 9, is hereby amended to read as follows:

~~Sec. 13. 1. A body designated pursuant to subsection 1 of section 12 of this act that approves an expenditure pursuant to section 12 of this act shall, for the relevant period, submit to the Department the reports required by this section, which must include, without limitation, the information required by this section and such other information relating to the administration of the provisions of this act as may be requested by the Department.~~

~~2. A body designated pursuant to subsection 1 of section 12 of this act shall submit the reports required by this section on or before:~~

~~(a) February 15, for the 2-month period ending on the immediately preceding December 31;~~

~~(b) May 15, for the 3-month period ending on the immediately preceding March 31;~~

~~(c) August 15, for the 3-month period ending on the immediately preceding June 30;~~

~~(d) November 15, for the 3-month period ending on the immediately preceding September 30; and~~

~~(e) August 15, for the 12-month period ending on the immediately preceding June 30.~~

~~3. Each report submitted pursuant to this section must be submitted on a form provided by the Department, which must be the same form as the form provided for the relevant report required by section 12.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as added by chapter 515, Statutes of Nevada 2007, at page 3422, and amended by chapter 497, Statutes of Nevada 2011, at page 3460, from time to time thereafter, and must include, with respect to the period covered by the report:~~

~~(a) The total amount of the allocation received by the respective police department from the proceeds of the tax authorized by subsection 1 of section 9 of this act; [c]~~

~~(b) A detailed description of the use of the money allocated to the police department, including, without limitation:~~

~~(1) The total expenditures made by the police department from the allocation; [c]~~

~~(3) The total number of police officers hired by the respective police departments, the number of those officers that are filling authorized, funded positions for new officers, and demographic information regarding those officers reported in a manner consistent with the current policies of the respective police department concerning the reporting of such information. (f and)~~

~~(3) A detailed analysis of the manner in which each expenditure:~~

~~(f) Conforms to all provisions of this act, and~~

~~(H) Does not replace or supplant funding or staffing levels which existed before October 1, 2016, for the respective police department. (f)~~

~~(e) An analysis of the manner in which each expenditure is being used to prevent crime and the effectiveness of each expenditure in preventing crime. (f and)~~

~~(d) Any other information required to complete the form of the report.~~

~~4. The Metropolitan Police Committee on Fiscal Affairs shall:~~

~~(a) Prepare and submit separate reports as required by this section for the expenditures approved from the allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraphs (a) and (b), respectively, of subsection 3 of section 9 of this act; and~~

~~(b) In addition to all other information required by this section, include in each report submitted pursuant to this section evidence that the expenditures from allocations received by the Las Vegas Metropolitan Police Department pursuant to paragraph (a) of subsection 3 of section 9 of this act are not offsetting, supplanting, replacing or otherwise reducing the amount of money allocated to the Las Vegas Metropolitan Police Department pursuant to paragraph (b) of subsection 3 of section 9 of this act for expenditures on law enforcement and crime prevention in the resort corridor.~~

~~5. The Department may review and investigate the reports submitted pursuant to this section and any expenditures of any proceeds from the tax authorized by subsection 1 of section 9 of this act. (Deleted by amendment.)~~

Sec. 8. [The Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 912, is hereby amended by adding thereto a new section to be designated as section 8.5, immediately following section 8, to read as follows:

~~Sec. 8.5. "Board of Trustees" means the Board of Trustees of the Clark County School District. (Deleted by amendment.)~~

Sec. 9. [The Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 912, is hereby amended by adding thereto a new section to be designated as section 9.5, immediately following section 9, to read as follows:

~~Sec. 8.5. "School police officer" means a person who is employed or appointed to serve as a school police officer in the Clark County School District pursuant to NRS 201.281. (Deleted by amendment.)~~

Sec. 10. [The Clark County Sales and Use Tax Act of 2005, being chapter 210, Statutes of Nevada 2005, at page 912, is hereby amended by adding thereto a new section to be designated as section 12.5, immediately following section 12, to read as follows:

~~Sec. 12.5. 1. During fiscal year 2010-2010 and during each fiscal year thereafter, the Department shall determine whether the total amount of the proceeds received from any sales and use tax imposed pursuant to this act during the preceding month exceeds the proceeds received from such a tax during the corresponding month of fiscal year 2010-2010. If the proceeds received in the current fiscal year~~

~~(a) Do not exceed the proceeds received from the corresponding month of fiscal year 2010-2010, the amount determined by the State Controller pursuant to paragraph (b) of subsection 2 of section 11 of this act must be transferred as provided in paragraph (c) of subsection 2 of section 11 of this act.~~

~~(b) Do exceed the proceeds received from the corresponding month of fiscal year 2010-2010,~~

~~(1) The sum of the amount determined by the State Controller pursuant to paragraph (b) of subsection 2 of section 11 of this act received from such a tax during the corresponding month of fiscal year 2010-2010 and 50 percent of the excess must be transferred as provided in paragraph (c) of subsection 2 of section 11 of this act.~~

~~(2) Fifty percent of the excess must be transferred to the Clark County School District for the purpose of employing and equipping additional school police officers pursuant to this section.~~

~~2. Except as otherwise provided in subsection 2, the Board of Trustees shall not approve the expenditure of the proceeds received by the School District pursuant to this section unless the expenditure:~~

~~(a) Is used to employ and equip additional school police officers;~~

~~(b) Conforms to all provisions of this act; and~~

~~(c) Will not replace or supplant existing funding to employ and equip school police officers.~~

~~3. If the Board of Trustees enters into a contract with the Las Vegas Metropolitan Police Department for the provision and supervision of police services pursuant to NRS 201.281,~~

~~(a) The Board of Trustees shall, in the terms of the contract, provide for the transfer to the Las Vegas Metropolitan Police Department of the proceeds received by the School District pursuant to this section; and~~

~~(b) The body designated pursuant to section 12 of this act to approve expenditures by the Las Vegas Metropolitan Police Department shall~~

~~not approve the expenditure of the proceeds received by the School District pursuant to this section unless the expenditure:~~

- ~~(1) Is used to employ and equip additional school police officers;~~
- ~~(2) Conforms to all provisions of this act; and~~
- ~~(3) Will not replace or supplant existing funding to employ and equip school police officers. (Deleted by amendment.)~~

Sec. 11. [Section 2 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 912, is hereby amended to read as follows:

- ~~Sec. 2. 1. The Legislature hereby finds and declares that:~~
- ~~(1.) (a) Nevada continues to be the fastest growing state in the nation, with the overwhelming majority of this population growth occurring in Clark County, which adds 6,000 to 7,000 new residents each month;~~
- ~~(2.) (b) The increase in the number of police officers to protect the residents of Clark County has not kept pace with the explosive growth in the numbers of those residents; so, while the nation as a whole averages 2.5 police officers for each 1,000 residents, the current ratio in Clark County is now only 1.7 police officers for each 1,000 residents;~~
- ~~(3.) (c) The crime rate in Clark County is increasing, and so is the time it takes for police officers to respond when a resident reports a crime, while the very real threat of terrorism means that police now must assume added responsibilities for homeland security;~~
- ~~(4.) (d) A majority of the voters in Clark County approved at the November 3, 2004, General Election Advisory Question No. 5, indicating their support for an increase in the sales tax of up to one half of 1 percent for the purpose of employing and equipping more police officers to protect the residents of Clark County;~~
- ~~(5.) (e) It is intended that 80 percent of any additional police officers employed and equipped pursuant to this act be assigned to uniform operations for marked patrol units in the community and for the control of traffic; and~~
- ~~(6.) (f) It is further intended that each police department that receives proceeds from any sales and use tax imposed pursuant to this act and allocated among the police departments within Clark County pursuant to section 9 of this act establish a program that promotes community participation in protecting the residents of the community that includes, without limitation:~~
- ~~((a)) (1) A written policy of the department that sets forth its position on providing law enforcement services oriented toward the involvement of residents of the community;~~
- ~~((b)) (2) The provision of training for all police officers employed by the department that includes, without limitation, training related to:~~

~~---(11) (b) Methods that may be used to analyze, respond to and solve problems commonly confronted by police officers in the community;~~

~~---(2) (11) The cultural and racial diversity of the residents of the community;~~

~~---(13) (11) The proper utilization of community resources, such as local housing authorities, public utilities and local public officials, that are available to assist in providing law enforcement services; and~~

~~---(14) (11) Issues concerning not only the prevention of crime, but also concerning improving the quality of life for the residents of the community; and~~

~~---(15) (12) The formation of partnerships with the residents of the community and public and private agencies and organizations to address mutual concerns related to the provision of law enforcement services; fi~~

~~---2. A)~~

~~---2. The Legislature hereby further finds and declares that~~

~~---(a) The Clark County School District is one of the largest school districts in the nation when measured either by enrollment or geographic area, and its enrollment of over 220,000 pupils generally ranks as the fifth largest school district by enrollment in the nation and its geographic area of almost 8,000 square miles generally ranks as the seventh largest school district by geographic area in the continental United States;~~

~~---(b) A safe and secure environment in the public schools and other facilities in the Clark County School District is necessary and essential for the School District to fulfill its educational mission and successfully teach, instruct and educate the pupils enrolled in the School District;~~

~~---(c) There are substantial dangers and threats to the safety of the public schools and other facilities in the Clark County School District, such as school violence, illegal weapons, illicit drugs and inappropriate and unlawful sexual conduct, that have become more frequent and worse, more difficult to police and more challenging in terms of providing effective and timely responses by the limited and overextended resources of the school police officers in the School District; and~~

~~---(d) It is therefore necessary and essential for the protection of the safety of the public schools and other facilities in the Clark County School District to employ and equip additional school police officers in the School District as provided by this act.~~

~~---3. The Legislature hereby further finds and declares that a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act because of [the]~~

~~(a) The demographic, economic and geographic diversity of the local governments (a) and school districts in this State (b), and~~
~~(b) The special and unique growth patterns (c) occurring in Clark County and the special financial conditions (experienced) and dangers and threats to the safety of the public in Clark County and the safety of the public schools and other facilities in the Clark County (related to) School District, and the corresponding challenges in providing effective and timely police protection under these special and unique circumstances, which~~

~~(1) does not reasonably comparable to anywhere else in this State and~~

~~(2) Create the ongoing need to employ and equip more (police officers) and~~

~~8. The (b)~~

~~(1) Police officers for the protection of the safety of the public in Clark County, is the most populous county in this State, and~~

~~(1) School police officers for the protection of the safety of the public schools and other facilities in the Clark County School District, as the largest school district in this State in terms of enrollment and one of the largest school districts in the nation in terms of enrollment and geographic area.~~

~~1. The legislature hereby further finds and declares that the powers, rights, privileges, immunities, liabilities, duties and disabilities provided in this act must comply in all respects with any requirement or limitation pertaining thereto and imposed by any constitutional provision. (Deleted by amendment.)~~

Sec. 12. [Section 2 of the Clark County Sales and Use Tax Act of 2005, being chapter 349, Statutes of Nevada 2005, at page 914, is hereby amended to read as follows:

~~Sec. 3. Except as otherwise provided in this act or unless the content otherwise requires, terms used or referred to in this act have the meanings ascribed to them in chapter 344 of NRS, as from time to time amended, but the definitions in sections 4 to (5), 6-8, inclusive, of this act, unless the content otherwise requires, govern the construction of this act. (Deleted by amendment.)~~

Sec. 13. [Section 9 of the Clark County Sales and Use Tax Act of 2005, being chapter 349, Statutes of Nevada 2005, at page 914, is hereby amended to read as follows:

~~Sec. 9. 1. The Board may enact an ordinance imposing a local sales and use tax pursuant to this act. If the Board enacts or has enacted such an ordinance, the proceeds received from the tax authorized pursuant to this section must be used to employ and equip additional (police).~~

~~(a) Police officers for the Boulder City Police Department, Henderson Police Department, Las Vegas Metropolitan Police Department, Mesquite Police Department and North Las Vegas Police Department.~~

~~(b) School police officers for the Clark County School District pursuant to section 12.5 of this act.~~

~~2. Before enacting such an ordinance, the Board shall hold a public hearing to present its plan for implementing the local sales and use tax.~~

~~3. The proceeds received from the tax authorized pursuant to this section, including interest and other income earned thereon, must be:~~

~~(a) Allocated as follows:~~

~~(1) Subject to the limitations set forth in section 12.5 of this act, among the police departments within the County in the same ratio that the population served by each department bears to the total population of the County. As used in this [paragraph] and [paragraph], "population" means the estimated annual population determined pursuant to NRS 369.243.~~

~~(2) To the Clark County School District pursuant to section 12.5 of this act.~~

~~(b) Used only as approved pursuant to section 12.5 or 13 of this act and only for the purposes set forth in this section or section 12.5 of this act unless the Legislature changes the use [The]~~

~~If the Board wants to change the use for the proceeds received from the tax and allocated among the police departments within the County, the Board shall, before submitting to the Legislature any request to change the uses for [the] such proceeds received from the tax, submit an advisory question to the voters of the County pursuant to NRS 305.230, asking whether the use for [the] such proceeds received from the tax should be so changed. The Board shall not submit such a request to the Legislature if a majority of the voters in the County disapprove the proposed change. (Deleted by amendment.)~~

Sec. 14 [Section 13 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as amended by chapter 497, Statutes of Nevada 2011, at page 1158, is hereby amended to read as follows:

~~Sec. 13. 1. A police department shall not expend proceeds received from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act unless the expenditure has been approved by the body designated pursuant to this section for the approval of expenditures of that police department. The body designated pursuant to this section must approve the expenditure of the proceeds by the police department if it determines that:~~

~~(a) The proposed use of the money conforms to all provisions of this act and~~

~~—(b) The proposed use will not replace or supplant existing funding for the police department.~~

~~—2. The body designated to approve an expenditure for:~~

~~—(a) The Boulder City Police Department is the City Council of the City of Boulder City;~~

~~—(b) The Henderson Police Department is the City Council of the City of Henderson;~~

~~—(c) The Las Vegas Metropolitan Police Department is the Metropolitan Police Committee on Fiscal Affairs;~~

~~—(d) The Mesquite Police Department is the City Council of the City of Mesquite; and~~

~~—(e) The North Las Vegas Police Department is the City Council of the City of North Las Vegas.~~

~~—3. In determining that a proposed use meets the requirement set forth in paragraph (b) of subsection 1, a body designated pursuant to subsection 2 must find that either:~~

~~—(a) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or greater than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department; or~~

~~—(b) The amount approved for expenditure by the body for the fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is less than the amount approved for expenditure in the immediately preceding fiscal year for the support of the police department and the body projects a decrease in its receipt of revenue in that fiscal year from consolidated taxes and property taxes of more than 3 percent from its base fiscal year.~~

~~—4. If a body designated pursuant to subsection 2 makes a finding pursuant to subsection 3, the body shall adopt a resolution setting forth the finding and the reasons therefor. If the finding is made pursuant to paragraph (b) of subsection 3, the finding must include, without limitation, all facts supporting the projection of a decrease in revenue.~~

~~—5. If a body designated pursuant to subsection 2 does not make a finding pursuant to subsection 3 for a fiscal year on or before July 1 of that fiscal year, the body shall retain the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act in the special revenue fund created by the body pursuant to section 17 of this act for use pursuant to this section. Any other body designated pursuant to subsection 2 which makes a finding pursuant to subsection 3 for that fiscal year may apply to the County Treasurer requesting approval for the use by the police department for~~

which the other body approves expenditures of any portion of those proceeds in accordance with the provisions of this section.

~~6. The County Treasurer, upon receiving a request pursuant to subsection 5 and proper documentation of expenditures with the provisions of this section, shall provide written notice to the designated body which failed to make a finding pursuant to subsection 7 that it is required to transfer from the special revenue fund created by the body pursuant to section 17 of this act to the County Treasurer such amount of the proceeds received for that fiscal year from any sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act, as approved by the County Treasurer for use by the designated body that submitted the request.~~

~~7. Notwithstanding the provisions of subsection 3 of section 17 of this act, a designated body that receives written notice from the County Treasurer pursuant to subsection 6 shall transfer all available required money to the County Treasurer as soon as practicable following the receipt of any portion of the proceeds. Upon receipt of the money, the County Treasurer shall transfer the money to the designated body that submitted the request, which shall deposit the money in the special revenue fund created by that designated body pursuant to section 17 of this act.~~

~~8. As used in this section, "base fiscal year" means, with respect to a body designated pursuant to subsection 2, Fiscal Year 2000-2010, except that:~~

~~(a) If, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, exceeds by more than 2 percent the amount approved for expenditure in Fiscal Year 2000-2010, the base fiscal year for that body becomes the most recent of such subsequent fiscal years;~~

~~(b) If the base fiscal year is revised pursuant to paragraph (a) and, in any subsequent fiscal year, the amount approved for expenditure by the body for that subsequent fiscal year for the support of the police department, not including any money received or expended pursuant to this act, is equal to or less than the amount approved for expenditure in Fiscal Year 2000-2010, the base fiscal year for that body becomes Fiscal Year 2000-2010 but is subject to subsequent revision pursuant to paragraph (a). (Deleted by amendment.)~~

Sec. 15. [Section 15 of the Clark County Sales and Use Tax Act of 2005, being chapter 249, Statutes of Nevada 2005, as added by chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:

~~Sec. 13.3. 1. The provisions of paragraph (b) of subsection 1 and subsections 3 to 8, inclusive, of section 13 of this act do not apply to any expenditure of proceeds received from any sales and use tax imposed pursuant to this act on or after July 1, 2013, but before July 1, 2016 (1), and allocated among the police departments within the County pursuant to section 9 of this act.~~

~~2. In addition to the requirements of section 13.5 of this act:~~

~~(a) The periodic reports required by that section must include, with respect to the period covered by the report, a separate detailed description of the expenditure of any proceeds received from the sales and use tax imposed pursuant to this act and allocated among the police departments within the County pursuant to section 9 of this act as a result of the provisions of subsection 1; and~~

~~(b) A governing body that is required to submit a report pursuant to section 13.5 of this act shall submit a copy of the separate detailed description required by paragraph (a) for the period covered by the report to the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee on or before the date by which the governing body is required to submit the report for that period to the Department pursuant to section 13.5 of this act. (Deleted by amendment.)~~

Sec. 16. [Section 13.5 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, as amended by chapter 497, Statutes of Nevada 2011, at page 2460, is hereby amended to read as follows:

~~Sec. 13.5. 1. Any governing body that has approved expenditures pursuant to section 13.1 or 13.2 of this act shall submit to the Department the periodic reports required pursuant to this section and such other information relating to the provisions of this act as may be requested by the Department.~~

~~2. The reports required pursuant to this section must be submitted:~~

~~(a) On or before:~~

~~(1) February 15 for the 3-month period ending on the immediately preceding December 31;~~

~~(2) May 15 for the 3-month period ending on the immediately preceding March 31;~~

~~(3) August 15 for the 3-month period ending on the immediately preceding June 30; and~~

~~(4) November 15 for the 3-month period ending on the immediately preceding September 30; and~~

~~(b) On or before August 15 for the 12-month period ending on the immediately preceding June 30.~~

~~3. Each report must be submitted on a form provided by the Department and include, with respect to the period covered by the report:~~

~~(a) The total proceeds received by the respective police department or the Clark County School District, as applicable, from the sales and use tax imposed pursuant to this act. (f)~~

~~(b) A detailed description of the use of the proceeds, including, without limitation:~~

~~(1) The total expenditures made by the respective police department or the Clark County School District, as applicable, from the sales and use tax imposed pursuant to this act. (f)~~

~~(2) The total number of police officers hired by the police department (and) or the total number of school police officers hired by the Clark County School District, as applicable; the number of those officers that are filling authorized, funded positions for new officers (f) within the respective police department or the Clark County School District, as applicable; and demographic information regarding those officers reported to a manner consistent with the current policies of the respective police department or the Clark County School District, as applicable, concerning the reporting of such information.~~

~~(3) A detailed analysis of the manner in which each expenditure:~~

~~(1) Confirms to all provisions of this act; and~~

~~(1) Does not replace or supplant funding which existed before October 1, 2005, for the police department (and) or which existed before July 1, 2010, for school police officers for the Clark County School District, as applicable.~~

~~(c) Any other information required to complete the form for the report.~~

~~1. The Department may review and investigate the reports submitted pursuant to this section and the expenditure of any proceeds pursuant to section 12.5 or 13 of this act. (Deleted by amendment.)~~

Sec 17. [Section 14 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, as amended by chapter 322, Statutes of Nevada 2009, at page 2097, is hereby amended to read as follows:

~~Sec. 14. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this act must be paid to the Department in the form of remittances payable to the Department.~~

~~2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.~~

~~3. (The) Except as otherwise provided in section 12.5 of this act, the State Controller, acting upon the collection data furnished by the Department, shall monthly:~~

~~(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest~~

and penalties collected pursuant to this act during the preceding month as compensation to the State for the cost of collecting the tax.

—(b) Determine the amount equal to all fees, taxes, interest and penalties collected in or for the County pursuant to this act during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a).

—(c) Transfer the amount determined pursuant to paragraph (b) to the Intergovernmental Fund and remit the money to the County Treasurer.] *(Deleted by amendment.)*

Sec. 18. [Section 15 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 016, is hereby amended to read as follows:

—Sec. 15. The Department may redistribute any proceeds received from the tax, interest or penalty collected pursuant to this act which is determined to be improperly distributed [.] to the respective police departments within the County or the Clark County Sheriff District, but no such redistribution may be made as to amounts originally distributed more than 6 months before the date on which the Department obtains knowledge of the improper distribution.] *(Deleted by amendment.)*

Sec. 19. [Section 16 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 017, is hereby amended to read as follows:

—Sec. 16. 1. The County Treasurer shall deposit money received from the State Controller pursuant to [paragraph (e) of subsection 3 of] section 12.5 or 11 of this act into the County Treasury for credit to a fund created for the use of the proceeds received from the tax authorized by this act.

2. The fund of the County created for the use of the proceeds received from the tax authorized by this act must be accounted for as a separate fund and not as part of any other fund.

3. The County Treasurer upon receipt of the money remitted to him or her pursuant to this section shall distribute it to the appropriate accounts in accordance with the allotments established pursuant to section 2 or 2.5 of this act.] *(Deleted by amendment.)*

Sec. 20. [Section 17 of the Clark County Sales and Use Tax Act of 2005, being chapter 240, Statutes of Nevada 2005, at page 017, is hereby amended to read as follows:

—Sec. 17. 1. To carry out the provisions of this act:

—(a) The City Treasurers of Boulder City, Henderson, Mesquite and North Las Vegas and the Las Vegas Metropolitan Police Department shall deposit the money received from the County Treasurer pursuant to [subsection 3 of] section 16 of this act into a special revenue fund created for the use of the proceeds received from the tax authorized by

this act, it and allocated among the police departments within the County pursuant to section 2 of this act.

~~(A) If pursuant to NRS 252.150, the Board of Trustees:~~

~~(1) Has elected to establish and administer a separate account as the County School District Fund pursuant to NRS 251.601, the Board of Trustees shall:~~

~~(1) Create a special revenue fund for the use of the proceeds received from the tax authorized by this act and allocated to the Clark County School District pursuant to section 12.5 of this act; and~~

~~(1) Deposit the money received from the County Treasurer pursuant to section 16 of this act into the special revenue fund.~~

~~(2) Has not elected to establish and administer a separate account as the County School District Fund pursuant to NRS 251.601, the County Treasurer shall:~~

~~(1) Create a special revenue fund for the use of the proceeds received from the tax authorized by this act and allocated to the School District pursuant to section 12.5 of this act; and~~

~~(1) Deposit the money received by the County Treasurer pursuant to section 16 of this act into the special revenue fund.~~

~~2. Each special revenue fund created for the use of the proceeds received from the tax authorized by this act pursuant to subsection 1 must be accounted for as a separate fund and not as a part of any other fund.~~

~~3. Interest earned on a special revenue fund created pursuant to subsection 1 must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury or the County School District Fund, as applicable, at the end of any fiscal year. (Deleted by amendment.)~~

Sec. 21. [Section 20 of the Clark County Sales and Use Tax Act of 2005, being chapter 110, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:

~~Sec. 20. In a proceeding arising from an ordinance imposing a tax pursuant to this act, the Department may act for and on behalf of the County (1) or the Clark County School District, as appropriate for the proceeding. (Deleted by amendment.)~~

Sec. 22. [Section 21 of the Clark County Sales and Use Tax Act of 2005, being chapter 110, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:

~~Sec. 21. 1. The powers conferred by this act are in addition and supplemental to, and not in substitution for, the powers conferred by any other law and the limitations imposed by this act do not affect the powers conferred by any other law.~~

~~2. This act must not be construed to prevent the exercise of any power granted by any other law to the County or the Clark County~~

~~School District, as applicable, or any officer, agent or employee of the County () or the Clark County School District, as applicable.~~

~~3. This act must not be construed to repeal or otherwise effect any other law or part thereof (), except that if there is any conflict between the specific provisions of this act and the general provisions of any other law or part thereof, the specific provisions of this act control.~~

~~4. This act is intended to provide a separate method of accomplishing the objectives of the act, but not an exclusive method.~~

~~5. If any provision of this act, or application thereof to any person, thing or circumstance, is held invalid, the invalidity shall not effect the provisions or application of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable. (Deleted by amendment.)~~

Sec. 23. ~~(Section 23 of chapter 340, Statutes of Nevada 2005, at page 917, is hereby amended to read as follows:~~

~~Sec. 23. 1. This act becomes effective:~~

~~{(a)} 1. Upon passage and approval for the purposes of enacting ordinances and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~{(b)} 2. On October 1, 2005, for all other purposes.~~

~~3. This act expires by limitation on October 1, 2025. (Deleted by amendment.)~~

Sec. 24. ~~(Section 22 of chapter 545, Statutes of Nevada 2007, at page 1125, is hereby amended to read as follows:~~

~~Sec. 22. 1. This section and sections 2 to 22, inclusive, of this act become effective:~~

~~{(a)} 1. Upon passage and approval for the purposes of enacting ordinances and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and~~

~~{(b)} 2. On October 1, 2007, for all other purposes.~~

~~3. Sections 1 and 2 of this act become effective on October 1, 2007, and expire by limitation on October 1, 2025.~~

~~4. Sections 3 to 22, inclusive, of this act expire by limitation on October 1, 2027. (Deleted by amendment.)~~

Sec. 25. ~~(Section 28 of chapter 387, Statutes of Nevada 2009, at page 1103, is hereby amended to read as follows:~~

~~Sec. 28. 1. This section and sections 1, 18 and 27 of this act become effective upon passage and approval;~~

~~2. Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 to 16, inclusive, and 19 to 26, inclusive, of this act become effective on July 1, 2009;~~

~~3. Section 17 of this act becomes effective on July 1, 2011;~~

~~4. (Section 29 of this act expires by limitation on September 30, 2025.~~

~~5. Section 25 of this act expires by limitation on September 30, 2027.~~

~~6. Sections 7 and 9 of this act expire by limitation on September 30, 2030.~~

~~7. Sections 6 and 10 of this act become effective on October 1, 2030. (Deleted by amendment.)~~

Sec. 26. [Section 3.5 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:

~~Sec. 3.5. 1. If the increase in the rate of the tax authorized by section 3 of this act is enacted pursuant to that section, the County Treasurer of Clark County shall not make any allotment to a police department pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005 of any portion of the proceeds of the increase allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005, unless the County Treasurer is satisfied that the police department will meet the requirements of subsection 1 of section 3.7 of this act.~~

~~2. If the County Treasurer determines pursuant to subsection 1 that an allotment will not be made to a police department, any other police department may apply to the County Treasurer requesting approval for the use by the requesting police department of the unused allotment. If the County Treasurer is satisfied that the requesting police department will meet the requirements of subsection 1 of section 3.7 of this act, the County Treasurer shall make the requested allotment to the requesting police department. (Deleted by amendment.)~~

Sec. 27. [Section 3.7 of chapter 1, Statutes of Nevada 2013, 27th Special Session, at page 3, is hereby amended to read as follows:

~~Sec. 3.7. 1. A police department shall not expend any portion of an allotment made to it by the County Treasurer pursuant to section 3.5 of this act to employ and equip additional police officers unless:~~

~~(a) The police department employs and equips an equal number of police officers in unfilled budgeted positions for police officers using money either from the proceeds of the increase in the rate of the tax authorized by section 3 of this act [1] and allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005; or~~

~~(b) If, based on the number of budgeted positions for police officers in the police department for the 2013-2014 fiscal year, the police department does not have a sufficient number of unfilled budgeted positions for police officers to match all of the positions that are available for funding with the proceeds of the increase in the rate of the tax authorized by section 3 of this act [1] and allocated among the police departments within Clark County pursuant to section 9 of the Clark County Sales and Use Tax Act of 2005, the police department applies~~

for and is granted a waiver from the requirements of paragraph (c) by the Committee on Local Government Finance.

~~2. The Committee on Local Government Finance shall, on or before September 1 of each year, submit a report to the Legislative Commission that sets forth the number of waivers granted by the Committee pursuant to this section during the immediately preceding fiscal year and the reason for each such waiver. (Deleted by amendment.)~~

Sec. 28. ~~[Section 1 of chapter 1, Statutes of Nevada 2013, 32th Special Session, at page 3, is hereby amended to read as follows:~~

~~Sec. 1. This act becomes effective upon passage and approval and expires by limitation on October 1, 2025.] (Deleted by amendment.)~~

Sec. 29. ~~[1. There is hereby appropriated from the State General Fund to the School Safety Account the sum of \$2,500,000 for the Fiscal Year 2019-2020.~~

~~2. The Department of Education shall transfer money from the appropriation made by subsection 1 to school districts and charter schools for block grants for contract or employee social workers or other licensed mental health workers in schools with identified needs. The money must not be used for administrative expenditures of the Department of Education.~~

~~3. For purposes of the allocations of sums for the block grant program described in subsection 2, eligible licensed social workers or other mental health workers include the following:~~

- ~~(a) Licensed Clinical Social Worker;~~
- ~~(b) Social Worker;~~
- ~~(c) Social Worker Intern with Supervision;~~
- ~~(d) Clinical Psychologist;~~
- ~~(e) Psychologist Intern with Supervision;~~
- ~~(f) Marriage and Family Therapist;~~
- ~~(g) Mental Health Counselor;~~
- ~~(h) Community Health Worker;~~
- ~~(i) School-Based Health Centers; and~~
- ~~(j) Licensed Nurse.~~

~~4. The money appropriated by subsection 1 must be expended in accordance with NRS 363.150 to 363.216, inclusive, concerning the allotment, transfer, work program and budget. Transfers to and allotments from must be allowed and made in accordance with NRS 363.215 to 363.225, inclusive, after separate consideration of the merits of each request.~~

~~5. Any remaining balance of the transfer made by subsection 2 for Fiscal Year 2019-2020 may be carried forward for Fiscal Year 2020-2021, must not be committed for expenditure after June 30, 2021,~~

~~and does not revert to the State General Fund.] (Deleted by amendment.)~~

Sec. 30. ~~(1) There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

~~For the Fiscal Year 2019-2020, \$1,600,000~~

~~For the Fiscal Year 2020-2021, \$1,000,000~~

~~2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants to public schools to employ and equip school resource officers or school police officers in schools with identified needs on the basis of data relating to school discipline, violence, climate and vulnerability and the ability of the public school to hire school resource officers or school police officers. The money must not be used for administrative expenditures of the Department of Education.~~

~~3. The money transferred pursuant to subsection 2:~~

~~(a) Must be accounted for separately from any other money received by the school district and charter schools of this State and used only for the purposes specified in subsection 2;~~

~~(b) May not be used to settle or arbitrate disputes between a recognized organization representing employees of a school district and the school district, or to settle any negotiations;~~

~~(c) May not be used to adjust the district-wide schedules of salaries and benefits of the employees of a school district.~~

~~4. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2019-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively.) (Deleted by amendment.)~~

Sec. 30.1. NRS 219A.140 is hereby amended to read as follows:

219A.140 1. To be eligible to serve on the Youth Legislature, a person:

(a) Must be:

(1) A resident of the senatorial district of the Senator who appoints him or her;

(2) Enrolled in a public school or private school located in the senatorial district of the Senator who appoints him or her; or

(3) A homeschooled child ~~for opt-in child~~ who is otherwise eligible to be enrolled in a public school in the senatorial district of the Senator who appoints him or her;

(b) Except as otherwise provided in subsection 3 of NRS 219A.150, must be:

(1) Enrolled in a public school or private school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed, or

(2) A homeschooled child ~~for opt-in child~~ who is otherwise eligible to enroll in a public school in this State in grade 9, 10 or 11 for the first school year of the term for which he or she is appointed; and

(c) Must not be related by blood, adoption or marriage within the third degree of consanguinity or affinity to the Senator who appoints him or her or to any member of the Assembly who collaborated to appoint him or her.

2. If, at any time, a person appointed to the Youth Legislature changes his or her residency or changes his or her school of enrollment in such a manner as to render the person ineligible under his or her original appointment, the person shall inform the Board, in writing, within 30 days after becoming aware of such changed facts.

3. A person who wishes to be appointed or reappointed to the Youth Legislature must submit an application on the form prescribed pursuant to subsection 4 to the Senator of the senatorial district in which the person resides, is enrolled in a public school or private school or, if the person is a homeschooled child, ~~for opt-in child~~ the senatorial district in which he or she is otherwise eligible to be enrolled in a public school. A person may not submit an application to more than one Senator in a calendar year.

4. The Board shall prescribe a form for applications submitted pursuant to this section, which must require the signature of the principal of the school in which the applicant is enrolled or, if the applicant is a homeschooled child, ~~for opt-in child~~ the signature of a member of the community in which the applicant resides other than a relative of the applicant.

See 30.15. NRS 219A.150 is hereby amended to read as follows.

219A.150 1. A position on the Youth Legislature becomes vacant upon:

(a) The death or resignation of a member.

(b) The absence of a member for any reason from

(1) Two meetings of the Youth Legislature, including, without limitation, meetings conducted in person, meetings conducted by teleconference, meetings conducted by videoconference and meetings conducted by other electronic means;

(2) Two activities of the Youth Legislature;

(3) Two event days of the Youth Legislature, or

(4) Any combination of absences from meetings, activities or event days of the Youth Legislature, if the combination of absences therefrom equals two or more.

— unless the absences are, as applicable, excused by the Chair or Vice Chair of the Board.

(c) A change of residency or a change of the school of enrollment of a member which renders that member ineligible under his or her original appointment.

2. In addition to the provisions of subsection 1, a position on the Youth Legislature becomes vacant if:

(a) A member of the Youth Legislature graduates from high school or otherwise ceases to attend public school or private school for any reason other than to become a homeschooled child ~~for opt-in child~~ or

(b) A member of the Youth Legislature who is a homeschooled child ~~for opt-in child~~ completes an educational plan of instruction for grade 12 or otherwise ceases to be a homeschooled child ~~for opt-in child~~ for any reason other than to enroll in a public school or private school.

3. A vacancy on the Youth Legislature must be filled

(a) For the remainder of the unexpired term in the same manner as the original appointment, except that, if the remainder of the unexpired term is less than 1 year, the member of the Senate who made the original appointment may appoint a person who:

(1) Is enrolled in a public school or private school in this State in grade 12 or who is a homeschooled child ~~for opt-in child~~ who is otherwise eligible to enroll in a public school in this State in grade 12, and

(2) Satisfies the qualifications set forth in paragraphs (a) and (c) of subsection 1 of NRS 219A.140.

(b) Insofar as is practicable, within 30 days after the date on which the vacancy occurs.

4. As used in this section, "event day" means any single calendar day on which an official, scheduled event of the Youth Legislature is held, including, without limitation, a course of instruction, a course of orientation, a meeting, a seminar or any other official, scheduled activity.

Sec. 30.2. NRS 385.007 is hereby amended to read as follows.

385.007 As used in this title, unless the context otherwise requires

1. "Achievement charter school" means a public school operated by a charter management organization, as defined in NRS 388B.020, an educational management organization, as defined in NRS 388B.030, or other person pursuant to a contract with the Achievement School District pursuant to NRS 388B.210 and subject to the provisions of chapter 388B of NRS.

2. "Department" means the Department of Education.

3. "English learner" has the meaning ascribed to it in 20 U.S.C. § 7801(20).

4. "Homeschooled child" means a child who receives instruction at home and who is exempt from compulsory attendance pursuant to NRS 392.070 ~~but does not include an opt-in child~~

5. "Local school precinct" has the meaning ascribed to it in NRS 388G.535.

6. ~~"Opt-in child" means a child for whom an education savings account has been established pursuant to NRS 353B.850, who is not enrolled full-time in a public or private school and who receives all or a portion of his or her instruction from a participating entity, as defined in NRS 353B.750.~~

7. "Public schools" means all kindergartens and elementary schools, junior high schools and middle schools, high schools, charter schools and any

other schools, classes and educational programs which receive their support through public taxation and, except for charter schools, whose textbooks and courses of study are under the control of the State Board

~~(8-)~~ 2. "School bus" has the meaning ascribed to it in NRS 484A.230.

~~(9-)~~ 3. "State Board" means the State Board of Education.

~~(10-)~~ 9. "University school for profoundly gifted pupils" has the meaning ascribed to it in NRS 388C.040.

Sec. 10.25. NRS 385B.060 is hereby amended to read as follows:

385B.060 1. The Nevada Interscholastic Activities Association shall adopt rules and regulations in the manner provided for state agencies by chapter 233B of NRS as may be necessary to carry out the provisions of this chapter. The regulations must include provisions governing the eligibility and participation of homeschooled children ~~and opt-in children~~ in interscholastic activities and events. In addition to the regulations governing eligibility, ~~and~~

~~(a-)~~ a homeschooled child who wishes to participate must have on file with the school district in which the child resides a current notice of intent of a homeschooled child to participate in programs and activities pursuant to NRS 388D.070.

~~{(b)-} An opt-in child who wishes to participate must have on file with the school district in which the child resides a current notice of intent of an opt-in child to participate in programs and activities pursuant to NRS 388D.140.~~

2. The Nevada Interscholastic Activities Association shall adopt regulations setting forth:

(a) The standards of safety for each event, competition or other activity engaged in by a spirit squad of a school that is a member of the Nevada Interscholastic Activities Association, which must substantially comply with the spirit rules of the National Federation of State High School Associations, or its successor organization; and

(b) The qualifications required for a person to become a coach of a spirit squad.

3. If the Nevada Interscholastic Activities Association intends to adopt, repeal or amend a policy, rule or regulation concerning or affecting homeschooled children, the Association shall consult with the Northern Nevada Homeschool Advisory Council and the Southern Nevada Homeschool Advisory Council, or their successor organizations, to provide those Councils with a reasonable opportunity to submit data, opinions or arguments, orally or in writing, concerning the proposal or change. The Association shall consider all written and oral submissions respecting the proposal or change before taking final action.

4. As used in this section, "spirit squad" means any team or other group of persons that is formed for the purpose of:

(a) Leading cheers or rallies to encourage support for a team that participates in a sport that is sanctioned by the Nevada Interscholastic Activities Association; or

(b) Participating in a competition against another team or other group of persons to determine the ability of each team or group of persons to engage in an activity specified in paragraph (a).

Sec. 30.3. NRS 385B.150 is hereby amended to read as follows:

385B.150 1. A homeschooled child must be allowed to participate in interscholastic activities and events in accordance with the regulations adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.060 if a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 388D.070.

2. ~~[An opt-in child must be allowed to participate in interscholastic activities and events in accordance with the regulations adopted by the Nevada Interscholastic Activities Association pursuant to NRS 385B.060 if a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 388D.140.]~~

~~---2] The provisions of this chapter and the regulations adopted pursuant thereto that apply to pupils enrolled in public schools who participate in interscholastic activities and events apply in the same manner to homeschooled children [and opt-in children] who participate in interscholastic activities and events, including, without limitation, provisions governing~~

- (a) Eligibility and qualifications for participation;
- (b) Fees for participation;
- (c) Insurance;
- (d) Transportation;
- (e) Requirements of physical examination;
- (f) Responsibilities of participants;
- (g) Schedules of events;
- (h) Safety and welfare of participants;
- (i) Eligibility for awards, trophies and medals;
- (j) Conduct of behavior and performance of participants; and
- (k) Disciplinary procedures.

Sec. 30.35. NRS 385B.160 is hereby amended to read as follows:

385B.160 No challenge may be brought by the Nevada Interscholastic Activities Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or private school, or any other entity or person claiming that an interscholastic activity or event is invalid because homeschooled children ~~[or opt-in children]~~ are allowed to participate in the interscholastic activity or event.

Sec. 30.4. NRS 385B.170 is hereby amended to read as follows:

385B.170 A school district, public school or private school shall not prescribe any regulations, rules, policies, procedures or requirements governing the:

1. Eligibility of homeschooled children ~~for opt-in children~~ to participate in interscholastic activities and events pursuant to this chapter; or
2. Participation of homeschooled children ~~for opt-in children~~ in interscholastic activities and events pursuant to this chapter, ~~that are more restrictive than the provisions governing eligibility and participation prescribed by the Nevada Interscholastic Activities Association pursuant to NRS 385B.060.~~

Sec. 30.45. NRS 387.045 is hereby amended to read as follows:

387.045 ~~[Except as otherwise provided in NRS 353B.700 to 353B.020, inclusive]~~

1. No portion of the public school funds or of the money specially appropriated for the purpose of public schools shall be devoted to any other object or purpose.

2. No portion of the public school funds shall in any way be segregated, divided or set apart for the use or benefit of any sectarian or secular society or association.

Sec. 30.5. NRS 387.1223 is hereby amended to read as follows:

387.1223 1. On or before October 1, January 1, April 1 and July 1, each school district shall report to the Department, in the form prescribed by the Department, the average daily enrollment of pupils pursuant to this section for the immediately preceding quarter of the school year.

2. Except as otherwise provided in subsection 3, basic support of each school district must be computed by:

(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) The count of pupils enrolled in kindergarten and grades 1 to 12, inclusive, based on the average daily enrollment of those pupils during the quarter, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school and the count of pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

(2) The count of pupils not included under subparagraph (1) who are enrolled full-time in a program of distance education provided by that school district, a charter school located within that school district or a university school for profoundly gifted pupils, based on the average daily enrollment of those pupils during the quarter.

(3) The count of pupils who reside in the county and are enrolled

(i) In a public school of the school district and are concurrently enrolled part-time in a program of distance education provided by another school district or a charter school, ~~for receiving a portion of his or her instruction from a participating entity, as defined in NRS 353B.750,~~ based on the average daily enrollment of those pupils during the quarter.

(ii) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter

school, ~~for receiving a portion of his or her instruction from a participating entity, as defined in NRS 388B.750,~~ based on the average daily enrollment of those pupils during the quarter.

(4) The count of pupils not included under subparagraph (1), (2) or (3), who are receiving special education pursuant to the provisions of NRS 388.417 to 388.469, inclusive, and 388.5251 to 388.5267, inclusive, based on the average daily enrollment of those pupils during the quarter and excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435.

(5) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to NRS 388.435, based on the average daily enrollment of those pupils during the quarter.

(6) The count of children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of NRS 388.550, 388.560 and 388.570, based on the average daily enrollment of those pupils during the quarter.

(7) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 1 of NRS 388A.471, subsection 1 of NRS 388A.474, subsection 1 of NRS 392.074, or subsection 1 of NRS 388B.280 or any regulations adopted pursuant to NRS 388B.060 that authorize a child who is enrolled at a public school of a school district or a private school or a homeschooled child to participate in a class at an achievement charter school, based on the average daily enrollment of pupils during the quarter and expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (1).

(b) Adding the amounts computed in paragraph (a).

3. Except as otherwise provided in subsection 4, if the enrollment of pupils in a school district or a charter school that is located within the school district based on the average daily enrollment of pupils during the quarter of the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school based on the average daily enrollment of pupils during the same quarter of the immediately preceding school year, the enrollment of pupils during the same quarter of the immediately preceding school year must be used for purposes of making the quarterly apportionments from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 3, including, without limitation, by eliminating grades or moving into smaller facilities, the enrollment number from the current school year must be used for

purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to NRS 387.124.

5. The Department shall prescribe a process for reconciling the quarterly reports submitted pursuant to subsection 1 to account for pupils who leave the school district or a public school during the school year.

6. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees must be credited with attendance during that period.

7. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.

8. Pupils who are enrolled in courses which are approved by the Department as meeting the requirements for an adult to earn a high school diploma must not be counted for the purpose of computing basic support pursuant to this section.

Sec. 30.55. NRS 387.124 is hereby amended to read as follows:

387.124 Except as otherwise provided in this section and NRS 387.1241, 387.1242 and 387.528

1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. Except as otherwise provided in NRS 387.1244, the apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to NRS 387.163, minus all the funds attributable to pupils who reside in the county but attend a charter school, all the funds attributable to pupils who reside in the county and are enrolled full-time or part-time in a program of distance education provided by another school district or a charter school, ~~and~~ and all the funds attributable to pupils who are enrolled in a university school for profoundly gifted pupils located in the county, ~~and all the funds deposited in education savings accounts established on behalf of children who reside in the county pursuant to NRS 353B.700 to 353B.830, inclusive.~~ No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support.

2. Except as otherwise provided in NRS 387.1244, in addition to the apportionments made pursuant to this section, if a pupil is enrolled part-time in a program of distance education and part-time in a

(a) Public school other than a charter school, an apportionment must be made to the school district in which the pupil resides. The school district in which the pupil resides shall allocate a percentage of the apportionment to the school district or charter school that provides the program of distance

education in the amount set forth in the agreement entered into pursuant to NRS 388.854.

(b) Charter school, an apportionment must be made to the charter school in which the pupil is enrolled. The charter school in which the pupil is enrolled shall allocate a percentage of the apportionment to the school district or charter school that provides the program of distance education in the amount set forth in the agreement entered into pursuant to NRS 388.858.

3 The Superintendent of Public Instruction shall apportion, on or before August 1 of each year, the money designated as the "Nutrition State Match" pursuant to NRS 387.105 to those school districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district's reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

4 If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Office of Finance and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

Sec. 30.6. NRS 388.850 is hereby amended to read as follows:

388.850 1. A pupil may enroll in a program of distance education unless:

- (a) Pursuant to this section or other specific statute, the pupil is not eligible for enrollment or the pupil's enrollment is otherwise prohibited;
- (b) The pupil fails to satisfy the qualifications and conditions for enrollment adopted by the State Board pursuant to NRS 388.874; or
- (c) The pupil fails to satisfy the requirements of the program of distance education.

2. A child who is exempt from compulsory attendance and is enrolled in a private school pursuant to chapter 394 of NRS or is being homeschooled is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1.

3. ~~An opt-in child who is exempt from compulsory attendance is not eligible to enroll in or otherwise attend a program of distance education, regardless of whether the child is otherwise eligible for enrollment pursuant to subsection 1, unless the opt-in child receives only a portion of his or her instruction from a participating entity as authorized pursuant to NRS 388.850.~~

~~4.~~ If a pupil who is prohibited from attending public school pursuant to NRS 392.264 enrolls in a program of distance education, the enrollment and attendance of that pupil must comply with all requirements of NRS 62F.100 to 62F.150, inclusive, and 392.251 to 392.271, inclusive.

Sec. 30.63. NRS 388A.471 is hereby amended to read as follows:

388A.471 1. Except as otherwise provided in subsection 2, upon the request of a parent or legal guardian of a child who is enrolled in a public school of a school district or a private school, or a parent or legal guardian of a homeschooled child, ~~for opt-in child,~~ the governing body of the charter school shall authorize the child to participate in a class that is not otherwise available to the child at his or her school or homeschool ~~for from his or her participating entity, as defined in NRS 353B.750,~~ or participate in an extracurricular activity at the charter school if

(a) Space for the child in the class or extracurricular activity is available;
 (b) The parent or legal guardian demonstrates to the satisfaction of the governing body that the child is qualified to participate in the class or extracurricular activity; and

(c) The child is ~~for~~
~~(1) A~~ a homeschooled child and a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 388D.070 ~~for~~

~~(2) An opt-in child and a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district in which the child resides for the current school year pursuant to NRS 388D.140.~~

2. If the governing body of a charter school authorizes a child to participate in a class or extracurricular activity pursuant to subsection 1, the governing body is not required to provide transportation for the child to attend the class or activity. A charter school shall not authorize such a child to participate in a class or activity through a program of distance education provided by the charter school pursuant to NRS 388.820 to 388.874, inclusive

3. The governing body of a charter school may revoke its approval for a child to participate in a class or extracurricular activity at a charter school pursuant to subsection 1 if the governing body determines that the child has failed to comply with applicable statutes, or applicable rules and regulations. If the governing body so revokes its approval, neither the governing body nor the charter school is liable for any damages relating to the denial of services to the child.

4. The governing body of a charter school may, before authorizing a homeschooled child ~~for opt-in child~~ to participate in a class or extracurricular activity pursuant to subsection 1, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

Sec. 30.7. NRS 388B.290 is hereby amended to read as follows:

388B.290 1. During the sixth year that a school operates as an achievement charter school, the Department shall evaluate the pupil achievement and school performance of the school. The Executive Director shall provide the Department with such information and assistance as the

Department determines necessary to perform such an evaluation. If, as a result of such an evaluation, the Department determines:

(a) That the achievement charter school has made adequate improvement in pupil achievement and school performance, the governing body of the achievement charter school must decide whether to:

(1) Convert to a public school under the governance of the board of trustees of the school district in which the school is located,

(2) Seek to continue as a charter school subject to the provisions of chapter 388A of NRS by applying to the board of trustees of the school district in which the school is located, the State Public Charter School Authority or a college or university within the Nevada System of Higher Education to sponsor the charter school pursuant to NRS 388A.220, or

(3) Remain an achievement charter school for at least 6 more years.

(b) That the achievement charter school has not made adequate improvement in pupil achievement and school performance, the Department shall direct the Executive Director to notify the parent or legal guardian of each pupil enrolled in the achievement charter school that the achievement charter school has not made adequate improvement in pupil achievement and school performance. Such notice must include, without limitation, information regarding:

(1) Public schools which the pupil may be eligible to attend, including, without limitation, charter schools, programs of distance education offered pursuant to NRS 388.820 to 388.874, inclusive, and alternative programs for the education of pupils at risk of dropping out of school pursuant to NRS 388.537;

(2) ~~The opportunity for the parent to establish an education-savings account pursuant to NRS 353B.250 and enroll the pupil in a private school, have the pupil become an opt-in child or provide for the education of the pupil in any other manner authorized by NRS 353B.000;~~

~~(3) Any other alternatives for the education of the pupil that are available in this State, and~~

~~(4) (2) The actions that may be considered by the Department with respect to the achievement charter school and the manner in which the parent may provide input.~~

2. Upon deciding that the achievement charter school has not made adequate improvement in pupil achievement and school performance pursuant to paragraph (b) of subsection 1, the Department must decide whether to:

(a) Convert the achievement charter school to a public school under the governance of the board of trustees of the school district in which the school is located, or

(b) Continue to operate the school as an achievement charter school for at least 6 more years.

3. If the Department decides to continue to operate a school as an achievement charter school pursuant to subsection 2, the Executive Director must:

(a) Terminate the contract with the charter management organization, educational management organization or other person that operated the achievement charter school;

(b) Enter into a contract with a different charter management organization, educational management organization or other person to operate the achievement charter school after complying with the provisions of NRS 388B.210;

(c) Require the charter management organization, educational management organization or other person with whom the Executive Director enters into a contract to operate the achievement charter school to appoint a new governing body of the achievement charter school in the manner provided pursuant to NRS 388B.220, and must not reappoint more than 40 percent of the members of the previous governing body, and

(d) Evaluate the pupil achievement and school performance of such a school at least each 3 years of operation thereafter.

4. If an achievement charter school is converted to a public school under the governance of the board of trustees of a school district pursuant to paragraph (a) of subsection 1, the board of trustees must employ any teacher, administrator or paraprofessional who wishes to continue employment at the school and meets the requirements of chapter 391 of NRS to teach at the school. Any administrator or teacher employed at such a school who was employed by the board of trustees as a postprobationary employee before the school was converted to an achievement charter school and who wishes to continue employment at the school after it is converted back into a public school must be employed as a postprobationary employee.

5. If an achievement charter school becomes a charter school sponsored by the school district in which the charter school is located, the State Public Charter School Authority or a college or university within the Nevada System of Higher Education pursuant to paragraph (a) of subsection 1, the school is subject to the provisions of chapter 388A of NRS and the continued operation of the charter school in the building in which the school has been operating is subject to the provisions of NRS 388A.378.

6. As used in this section, "postprobationary employee" has the meaning ascribed to it in NRS 391.650.

Sec. 30.75. NRS 388D.270 is hereby amended to read as follows.

388D.270 1. A scholarship organization must:

(a) Be exempt from taxation pursuant to section 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3).

(b) Not own or operate any school in this State, including, without limitation, a private school, which receives any grant money pursuant to the Nevada Educational Choice Scholarship Program.

(c) Accept donations from taxpayers and other persons and may also solicit and accept gifts and grants.

(d) Not expend more than 5 percent of the total amount of money accepted pursuant to paragraph (c) to pay its administrative expenses.

(e) Provide grants on behalf of pupils who are members of a household that has a household income which is not more than 300 percent of the federally designated level signifying poverty to allow those pupils to attend schools in this State chosen by the parents or legal guardians of those pupils, including, without limitation, private schools. The total amount of a grant provided by the scholarship organization on behalf of a pupil pursuant to this paragraph must not exceed \$7,755 for Fiscal Year 2015-2016.

(f) Not limit to a single school the schools for which it provides grants.

(g) Except as otherwise provided in paragraph (e), not limit to specific pupils the grants provided pursuant to that paragraph.

2. The maximum amount of a grant provided by the scholarship organization pursuant to paragraph (e) of subsection 1 must be adjusted on July 1 of each year for the fiscal year beginning that day and ending June 30 in a rounded dollar amount corresponding to the percentage of increase in the Consumer Price Index (All Items) published by the United States Department of Labor for the preceding calendar year. On May 1 of each year, the Department of Education shall determine the amount of increase required by this subsection, establish the adjusted amounts to take effect on July 1 of that year and notify each scholarship organization of the adjusted amounts. The Department of Education shall also post the adjusted amounts on its Internet website.

3. A grant provided on behalf of a pupil pursuant to subsection 1 must be paid directly to the school chosen by the parent or legal guardian of the pupil.

4. A scholarship organization shall provide each taxpayer and other person who makes a donation, gift or grant of money to the scholarship organization pursuant to paragraph (c) of subsection 1 with an affidavit, signed under penalty of perjury, which includes, without limitation:

(a) A statement that the scholarship organization satisfies the requirements set forth in subsection 1; and

(b) The total amount of the donation, gift or grant made to the scholarship organization.

5. Each school in which a pupil is enrolled for whom a grant is provided by a scholarship organization shall maintain a record of the academic progress of the pupil. The record must be maintained in such a manner that the information may be aggregated and reported for all such pupils if reporting is required by the regulations of the Department of Education.

6. A scholarship organization shall not use a donation for which a taxpayer received a tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of a pupil unless the scholarship organization used a donation for which the taxpayer received a

tax credit pursuant to NRS 363A.139 or 363B.119 to provide a grant pursuant to this section on behalf of the pupil for the immediately preceding school year or reasonably expects to be able to provide a grant pursuant to this section on behalf of the pupil in at least the same amount for each school year until the pupil graduates from high school. A scholarship organization that violates this subsection shall repay to the Department of Taxation the amount of the tax credit received by the taxpayer pursuant to NRS 363A.139 or 363B.119, as applicable.

7. The Department of Education:

(a) Shall adopt regulations prescribing the contents of and procedures for applications for grants provided pursuant to subsection 1.

(b) May adopt such other regulations as the Department determines necessary to carry out the provisions of this section.

~~(7) §.~~ As used in this section, "private school" has the meaning ascribed to it in NRS 394.103.

Sec. 30.8. NRS 392.033 is hereby amended to read as follows.

392.033 1. The State Board shall adopt regulations which prescribe the courses of study required for promotion to high school, including, without limitation, English language arts, mathematics, science and social studies. The regulations may include the credits to be earned in each course.

2. Except as otherwise provided in subsection 4, the board of trustees of a school district shall not promote a pupil to high school if the pupil does not complete the course of study or credits required for promotion. The board of trustees of the school district in which the pupil is enrolled may provide programs of remedial study to complete the courses of study required for promotion to high school.

3. The board of trustees of each school district shall adopt a procedure for evaluating the course of study or credits completed by a pupil who transfers to a junior high or middle school from a junior high or middle school in this State or from a school outside of this State.

4. The board of trustees of each school district shall adopt a policy that allows a pupil who has not completed the courses of study or credits required for promotion to high school to be placed on academic probation and to enroll in high school. A pupil who is on academic probation pursuant to this subsection shall complete appropriate remediation in the subject areas that the pupil failed to pass. The policy must include the criteria for eligibility of a pupil to be placed on academic probation. A parent or guardian may elect not to place his or her child on academic probation but to remain in grade 8.

5. A homeschooled child ~~for opt-in child~~ who enrolls in a public high school shall, upon initial enrollment:

(a) Provide documentation sufficient to prove that the child has successfully completed the courses of study required for promotion to high school through an accredited program of homeschool study recognized by the board of trustees of the school district, ~~for from a participating entity, as applicable;~~

(b) Demonstrate proficiency in the courses of study required for promotion to high school through an examination prescribed by the board of trustees of the school district; or

(c) Provide other proof satisfactory to the board of trustees of the school district demonstrating competency in the courses of study required for promotion to high school.

~~{6. As used in this section, "participating entity" has the meaning ascribed to it in NRS 353B.750.}~~

Sec. 30.85. NRS 392.070 is hereby amended to read as follows:

392.070 Attendance of a child required by the provisions of NRS 392.040 must be excused when:

1. The child is enrolled in a private school pursuant to chapter 394 of NRS;

or

2. A parent of the child chooses to provide education to the child and files a notice of intent to homeschool the child with the superintendent of schools of the school district in which the child resides in accordance with NRS 388D.020; ~~{or~~

~~3. The child is an opt-in child and notice of such has been provided to the school district in which the child resides or the charter school in which the child was previously enrolled, as applicable, in accordance with NRS 388D.140.}~~

Sec. 30.9 NRS 392.072 is hereby amended to read as follows:

392.072 1. The board of trustees of each school district shall provide programs of special education and related services for homeschooled children. The programs of special education and related services required by this section must be made available:

(a) Only if a child would otherwise be eligible for participation in programs of special education and related services pursuant to NRS 388.417 to 388.469, inclusive, or NRS 388.5251 to 388.5267, inclusive;

(b) In the same manner that the board of trustees provides, as required by 20 U.S.C. § 1412, for the participation of pupils with disabilities who are enrolled in private schools within the school district voluntarily by their parents or legal guardians; and

(c) In accordance with the same requirements set forth in 20 U.S.C. § 1412 which relate to the participation of pupils with disabilities who are enrolled in private schools within the school district voluntarily by their parents or legal guardians.

2. The programs of special education and related services required by subsection 1 may be offered at a public school or another location that is appropriate.

3. The board of trustees of a school district may, before providing programs of special education and related services to a homeschooled child ~~for opt-in child~~ pursuant to subsection 1, require proof of the identity of the child,

including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

4. The Department shall adopt such regulations as are necessary for the boards of trustees of school districts to provide the programs of special education and related services required by subsection 1.

5. As used in this section, "related services" has the meaning ascribed to it in 20 U.S.C. § 1401.

Sec. 3093. NRS 392.074 is hereby amended to read as follows:

392.074 1. Except as otherwise provided in subsection 1 of NRS 392.072 for programs of special education and related services, upon the request of a parent or legal guardian of a child who is enrolled in a private school or a parent or legal guardian of a homeschooled child, ~~for opt-in child,~~ the board of trustees of the school district in which the child resides shall authorize the child to participate in any classes and extracurricular activities, excluding sports, at a public school within the school district if:

(a) Space for the child in the class or extracurricular activity is available;

(b) The parent or legal guardian demonstrates to the satisfaction of the board of trustees that the child is qualified to participate in the class or extracurricular activity, and

(c) If the child is:

~~(1) A homeschooled child, a notice of intent of a homeschooled child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 388D.070, ~~for~~~~

~~(2) An opt-in child, a notice of intent of an opt-in child to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 388D.140.]~~

2. If the board of trustees of a school district authorizes a child to participate in a class or extracurricular activity, excluding sports, pursuant to this subsection, the board of trustees is not required to provide transportation for the child to attend the class or activity. A homeschooled child ~~for opt-in child~~ must be allowed to participate in interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS and interscholastic activities and events, including sports, pursuant to subsection 3.

2. The board of trustees of a school district may revoke its approval for a pupil to participate in a class or extracurricular activity at a public school pursuant to subsection 1 if the board of trustees or the public school determines that the pupil has failed to comply with applicable statutes, or applicable rules and regulations of the board of trustees. If the board of trustees revokes its approval, neither the board of trustees nor the public school is liable for any damages relating to the denial of services to the pupil.

3. In addition to those interscholastic activities and events governed by the Nevada Interscholastic Activities Association pursuant to chapter 385B of NRS, a homeschooled child ~~for opt-in child~~ must be allowed to participate in

interscholastic activities and events, including sports, if a notice of intent of a homeschooled child ~~for opt-in child~~ to participate in programs and activities is filed for the child with the school district for the current school year pursuant to NRS 383D.070. ~~for 383D.110, as applicable~~ A homeschooled child ~~for opt-in child~~ who participates in interscholastic activities and events at a public school pursuant to this subsection must participate within the school district of the child's residence through the public school which the child is otherwise zoned to attend. Any rules or regulations that apply to pupils enrolled in public schools who participate in interscholastic activities and events, including sports, apply in the same manner to homeschooled children ~~and opt-in children~~ who participate in interscholastic activities and events, including, without limitation, provisions governing:

- (a) Eligibility and qualifications for participation;
- (b) Fees for participation;
- (c) Insurance;
- (d) Transportation;
- (e) Requirements of physical examination;
- (f) Responsibilities of participants;
- (g) Schedules of events;
- (h) Safety and welfare of participants;
- (i) Eligibility for awards, trophies and medals;
- (j) Conduct of behavior and performance of participants; and
- (k) Disciplinary procedures.

4. If a homeschooled child ~~for opt-in child~~ participates in interscholastic activities and events pursuant to subsection 3:

(a) No challenge may be brought by the Association, a school district, a public school or a private school, a parent or guardian of a pupil enrolled in a public school or a private school, a pupil enrolled in a public school or a private school, or any other entity or person claiming that an interscholastic activity or event is invalid because the homeschooled child ~~for opt-in child~~ is allowed to participate.

(b) Neither the school district nor a public school may prescribe any regulations, rules, policies, procedures or requirements governing the eligibility or participation of the homeschooled child ~~for opt-in child~~ that are more restrictive than the provisions governing the eligibility and participation of pupils enrolled in public schools.

5. The board of trustees of a school district.

(a) May, before authorizing a homeschooled child ~~for opt-in child~~ to participate in a class or extracurricular activity, excluding sports, pursuant to subsection 1, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

(b) Shall, before allowing a homeschooled child ~~for opt-in child~~ to participate in interscholastic activities and events governed by the Nevada

Interscholastic Activities Association pursuant to chapter 385B of NRS and interscholastic activities and events pursuant to subsection 3, require proof of the identity of the child, including, without limitation, the birth certificate of the child or other documentation sufficient to establish the identity of the child.

Sec 30.95. NRS 392.466 is hereby amended to read as follows:

392.466 1. Except as otherwise provided in this section, any pupil who commits a battery which results in the bodily injury of an employee of the school or who sells or distributes any controlled substance while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be suspended or expelled from that school, although the pupil may be placed in another kind of school, for at least a period equal to one semester for that school. For a second occurrence, the pupil must be permanently expelled from that school and:

(a) Enroll in a private school pursuant to chapter 394 of NRS ~~or become an opt-in child~~ or be homeschooled, or

(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

2 Except as otherwise provided in this section, any pupil who is found in possession of a firearm or a dangerous weapon while on the premises of any public school, at an activity sponsored by a public school or on any school bus must, for the first occurrence, be expelled from the school for a period of not less than 1 year, although the pupil may be placed in another kind of school for a period not to exceed the period of the expulsion. For a second occurrence, the pupil must be permanently expelled from the school and

(a) Enroll in a private school pursuant to chapter 394 of NRS ~~or become an opt-in child~~ or be homeschooled, or

(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

3 Except as otherwise provided in this section, if a pupil is deemed a habitual disciplinary problem pursuant to NRS 392.4655, the pupil may be:

(a) Suspended from the school for a period not to exceed one school semester as determined by the seriousness of the acts which were the basis for the discipline; or

(b) Expelled from the school under extraordinary circumstances as determined by the principal of the school.

4 If the pupil is expelled, or the period of the pupil's suspension is for one school semester, the pupil must:

(a) Enroll in a private school pursuant to chapter 394 of NRS ~~for become an opt-in child~~ or be homeschooled; or

(b) Enroll in a program of independent study provided pursuant to NRS 389.155 for pupils who have been suspended or expelled from public school or a program of distance education provided pursuant to NRS 388.820 to 388.874, inclusive, if the pupil qualifies for enrollment and is accepted for enrollment in accordance with the requirements of the applicable program.

5. The superintendent of schools of a school district may, for good cause shown in a particular case in that school district, allow a modification to the suspension or expulsion requirement, as applicable, of subsection 1, 2 or 3 if such modification is set forth in writing.

6. This section does not prohibit a pupil from having in his or her possession a knife or firearm with the approval of the principal of the school. A principal may grant such approval only in accordance with the policies or regulations adopted by the board of trustees of the school district.

7. Any pupil in grades 1 to 6, inclusive, except a pupil who has been found to have possessed a firearm in violation of subsection 2, may be suspended from school or permanently expelled from school pursuant to this section only after the board of trustees of the school district has reviewed the circumstances and approved this action in accordance with the procedural policy adopted by the board for such issues.

8. A pupil who is participating in a program of special education pursuant to NRS 388.419, other than a pupil who receives early intervening services, may, in accordance with the procedural policy adopted by the board of trustees of the school district for such matters, be:

(a) Suspended from school pursuant to this section for not more than 10 days. Such a suspension may be imposed pursuant to this paragraph for each occurrence of conduct proscribed by subsection 1.

(b) Suspended from school for more than 10 days or permanently expelled from school pursuant to this section only after the board of trustees of the school district has reviewed the circumstances and determined that the action is in compliance with the Individuals with Disabilities Education Act, 20 U.S.C. §§ 1400 et seq.

9. As used in this section:

(a) "Battery" has the meaning ascribed to it in paragraph (a) of subsection 1 of NRS 200.481.

(b) "Dangerous weapon" includes, without limitation, a blackjack, slungshot, billy, sand-club, sandbag, metal knuckles, dirk or dagger, a nunchaku or trefoil, as defined in NRS 202.350, a butterfly knife or any other knife described in NRS 202.350, a switchblade knife as defined in NRS 202.265, or any other object which is used, or threatened to be used, in such a manner and under such circumstances as to pose a threat of, or cause, bodily injury to a person.

(c) "Firearm" includes, without limitation, any pistol, revolver, shotgun, explosive substance or device, and any other item included within the definition of a "firearm" in 18 U.S.C. § 921, as that section existed on July 1, 1995.

10. The provisions of this section do not prohibit a pupil who is suspended or expelled from enrolling in a charter school that is designed exclusively for the enrollment of pupils with disciplinary problems if the pupil is accepted for enrollment by the charter school pursuant to NRS 388A.453 or 388A.456. Upon request, the governing body of a charter school must be provided with access to the records of the pupil relating to the pupil's suspension or expulsion in accordance with applicable federal and state law before the governing body makes a decision concerning the enrollment of the pupil.

Sec. 31. 1. There is hereby appropriated from the State General Fund to the School Safety Account the ~~sum of \$17,500,000 for the Fiscal Year 2020-2021~~ following sums:

For the Fiscal Year 2019-2020.....\$8,340,845
For the Fiscal Year 2020-2021.....\$8,404,930

2. The Department of Education shall transfer from the appropriation made by subsection 1 to provide grants utilizing a competitive grant process based on demonstrated need, within the limits of legislative appropriation, to school districts ~~in counties whose population is less than 100,000~~ and to charter schools for school safety facility improvements.

3. Any remaining balance of the appropriation made by subsection 1, ~~for Fiscal Year 2019-2020 must be added to the money appropriated for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the appropriation made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021.~~

Sec. 32. ~~There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

~~For the Fiscal Year 2019-2020.....\$115,000~~
~~For the Fiscal Year 2020-2021.....\$115,000~~

~~2. The money appropriated by subsection 1 must be used by the Department of Education to provide threat assessments and trainings and to provide mobile crisis response team services in counties whose population is less than 100,000.~~

~~3. Any remaining balance of the money appropriated by subsection 1 for Fiscal Year 2019-2020 and Fiscal Year 2020-2021 must not be committed for expenditure after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively.] (Deleted by amendment.)~~

Sec. 33. ~~There is hereby appropriated from the State General Fund to the School Safety Account the following sums:~~

For the Fiscal Year 2010-2020.....\$1,000,000

For the Fiscal Year 2020-2021.....\$1,000,000

~~2. The money appropriated by subsection 1 must be used by the Department of Education to support the implementation of a program of social, emotional and academic development throughout the public schools in this State, including, without limitation, the development and implementation of a strategic plan to carry out full implementation of such programs within 5 years.~~

~~3. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2010-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfer made by subsection 1 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must not be committed for expenditures after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)~~

Sec. 34. (1) There is hereby appropriated from the State General Fund to the Other State Education Program Account in the State General Fund the following sums:

For the Fiscal Year 2010-2020.....\$1,000,000

For the Fiscal Year 2020-2021.....\$0,000,000

~~2. The Department of Education shall use the money appropriated by subsection 1 for competitive state grants to school districts and charter schools for early childhood education programs.~~

~~3. Any remaining balance of the sums transferred by subsection 1 for Fiscal Year 2010-2020 and Fiscal Year 2020-2021 must not be committed for expenditures after June 30 of each fiscal year and must be reverted to the State General Fund on or before September 18, 2020, and September 17, 2021, for each fiscal year respectively. (Deleted by amendment.)~~

Sec. 35. (1) There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRE 387-1247 the following sums:

For the Fiscal Year 2010-2020.....\$15,875,000

For the Fiscal Year 2020-2021.....\$15,875,000

~~2. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 4 of Senate Bill No. 167 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 1 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.~~

~~3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2010-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining~~

balance of the transfer made pursuant to subsection 2 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)

Sec. 36. (1) There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

For the Fiscal Year 2019-2020 \$15,875,000

For the Fiscal Year 2020-2021 \$15,875,000

2. The Department of Education shall use the amount determined in subsection 1 to carry out the provisions of section 2 of Senate Bill No. 467 of this session by providing supplemental grants of money to the State Public Charter School Authority and the school districts to include additional schools within the program created by section 2 of Senate Bill No. 467 of this session and supplement the services provided at such schools. The board of trustees of a school district and the State Public Charter School Authority may submit an application to the Department on a form prescribed by the Department.

3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made pursuant to subsection 2 for Fiscal Year 2020-2021, including any money added from the previous fiscal year, must not be committed for expenditure after June 30, 2021, and must be reverted to the State General Fund on or before September 17, 2021. (Deleted by amendment.)

Sec. 36.5 (1) There is hereby appropriated from the State General Fund to the Account for Programs for Innovation and the Prevention of Remediation created by NRS 387.1247 the following sums:

For the Fiscal Year 2019-2020 \$35,081,155

For the Fiscal Year 2020-2021 \$36,848,070

2. The Department of Education shall transfer the sums of money identified in this subsection from the Account for Programs for Innovation and the Prevention of Remediation to school districts for block grants for the purpose of providing supplemental support to the operation of the school districts. The amount to be transferred for the fiscal year shown is:

	2019-2020	2020-2021
Carson City School District	\$631,574	\$663,384
Churchill County School District	255,461	268,328
Clark County School District	25,892,878	27,197,012
Douglas County School District	458,566	481,662
Elko County School District	772,986	811,919
Esmeralda County School District	5,551	5,831
Eureka County School District	21,379	22,456

Humboldt County School District	273,189	286,949
Lander County School District	78,860	82,832
Lincoln County School District	76,533	80,388
Lyon County School District	681,887	716,231
Mineral County School District	42,868	45,027
Nye County School District	410,922	431,619
Pershing County School District	53,244	55,925
Storey County School District	34,229	35,953
Washoe County School District	5,294,592	5,561,262
White Pine County School District	96,435	101,392

3. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2019-2020 must be added to the money transferred for Fiscal Year 2020-2021 and may be expended as that money is expended. Any remaining balance of the transfers made by subsection 2 for Fiscal Year 2020-2021, including any such money added from the previous fiscal year, must be used for the purpose identified in subsection 2 and does not revert to the State General Fund.

Sec. 37. 1. The Legislature hereby finds and declares that the purpose and intent of this act is to maintain and continue the existing legally operative rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110, at 2 percent and 1.475 percent, respectively, without any changes or reductions in the rates of those taxes pursuant to NRS 360.203, as that section existed before the effective date of this act, for any fiscal year beginning on or after July 1, 2015.

2. Notwithstanding any other provisions of law, in order to accomplish and carry out the purpose and intent of this act:

(a) Any determinations or decisions made or actions taken before the effective date of this section by the Department of Taxation pursuant to NRS 360.203, as that section existed before the effective date of this section:

(1) Are superseded, abrogated and nullified by the provisions of this act, and

(2) Have no legal force and effect; and

(b) The Department shall not, under any circumstances, apply or use those determinations, decisions or actions as a basis, cause or reason to reduce the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 for any fiscal year beginning on or after July 1, 2015.

Sec. 38. ~~Notwithstanding any other provisions of law, the Legislature hereby finds and declares that~~

~~1. The provisions of this act are not severable; and~~
~~2. If any provisions of this act, or any applications thereof to any persons, things or circumstances~~
~~(a) Are declared invalid by a court of competent jurisdiction in any judicial proceedings; and~~

~~—(b) Any available appeals, petitions or other methods of review concerning the judicial proceedings have been exhausted under the rules governing the judicial proceedings;~~

~~—such a judicial declaration of invalidity shall be deemed to invalidate the other provisions of this act, whether or not the other provisions of this act can be saved and given effect without the provisions or applications declared invalid by the court; and the invalidation of the other provisions of this act pursuant to this section becomes effective on the date on which the judicial declaration of invalidity becomes final and is no longer subject to any available appeals, petitions or other methods of review under the rules governing the judicial proceedings; (Deleted by amendment.)~~

Sec 39. NRS 360.203 is hereby repealed.

Sec 39.5. NRS 219A.050, 353B.700, 353B.710, 353B.720, 353B.730, 353B.740, 353B.750, 353B.760, 353B.770, 353B.820, 353B.850, 353B.860, 353B.870, 353B.880, 353B.900, 353B.910, 353B.920, 353B.930, 388D.100, 388D.110, 388D.120, 388D.130 and 388D.140 are hereby repealed.

Sec 40. 1. This section ~~(f)~~ and sections ~~(f to 36, inclusive)~~ 2, 3, 37, (f 38) and 39 of this act become effective upon passage and approval.

2. Sections ~~(30 to 36, inclusive)~~ 2, 3, 35, 30.1 to 31, inclusive, 36.5 and 39.5 of this act become effective on July 1, 2019.

~~(3) If the provisions of this act are invalidated as provided in section 38 of this act, this act expires by limitation on the date on which the invalidation of the provisions of this act becomes effective as provided in section 38 of this act.)~~

~~[TEXT]~~ LEADLINES OF REPEALED [SECTION] SECTIONS

~~(360.203) Reduction of rate of certain taxes on business under certain circumstances; duties of Department.~~

~~1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by chapter 363C of NRS for the preceding fiscal year.~~

~~2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year as projected by the Economic Forum for that fiscal year pursuant to paragraph (a) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by chapter 363C of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110~~

in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.

2. Except as otherwise provided in subsection 1, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 1, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.

3. If, pursuant to subsection 1, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:

(a) The Department is no longer required to make the determinations required by subsections 1 and 2; and

(b) The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 1;

219A.050 "Opt-in child" defined.

353B.700 Definitions.

353B.710 "Education savings account" defined.

353B.720 "Eligible institution" defined.

353B.730 "Opt-in child" defined.

353B.740 "Parent" defined.

353B.750 "Participating entity" defined.

353B.760 "Program of distance education" defined.

353B.770 "Resident school district" defined.

353B.820 Regulations.

353B.850 Establishment of account; requirements; termination and renewal of agreement to establish account; prohibition against establishing account for child attending school outside this State or homeschooled child.

353B.860 Grant of money required to be deposited in account; amount of grant; deduction of administrative costs; money remaining in account carries forward if written agreement renewed.

353B.870 Limitations on use of money deposited in account; refunds and rebates.

353B.880 Management of account; annual audits; State Treasurer authorized to take action upon determination of substantial misuse of money in account.

353B.900 Participating entity; Application; criteria; requirements; authority of State Treasurer to terminate status as participating entity.

353B.910 Participating entity required to ensure children take certain examinations; aggregation of examination results; annual survey.

353B.920 Annual list of participating entities; resident school district required to provide educational records to participating entity.

353B.930 Autonomy of participating entity not limited; actions of participating entity not actions of State Government.

360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.

388D.100 "Parent" defined.

388D.110 Notice that child is opt-in child; acknowledgment of notification.

388D.120 Release of child's records.

388D.130 Admittance or entrance to public school; participation in examinations.

388D.140 Notice of intent to participate in programs and activities.

Senator Cannizzaro moved the adoption of the amendment

Remarks by Senators Cannizzaro, Settelmeyer, Ratti, Hardy, Hansen, Spearman and Pickard.

SENATOR CANNIZZARO:

Amendment No. 1121 includes some of the provisions I had previously discussed in relation to Senate Bill No. 531. This amendment includes the deletion of the language relating to the Clark County Sales and Use Tax, or what is commonly known as the "More Cops Tax." It includes the buy down of the Modified Business Tax. It takes that money, and allocations from it of approximately \$100 million in funds to the State, and distributes approximately \$16.7 million for school safety and approximately \$72 million for school districts through the Account for Programs for Innovation and the Prevention of Remediation for block grants and supplemental support for the school districts. It adds \$9.95 million to Opportunity Scholarships to allow for individuals who are currently on those scholarships to remain in the program. Additionally, Amendment No. 1121 to Senate Bill No. 531 removes the requirement for a two-thirds vote and deletes language relating to it and eliminates the Education Savings Account Program.

SENATOR SETTELMAYER:

I appreciate the concept of the Amendment No. 1121. It proves exactly what I said before, the concept that the Constitution is to you, something you can just pick and choose whether to obey it or not. This is something the taxpayers put upon us as a restraint, and you have exactly proven our point. You have also decided, now, to take away opportunities from children by forever getting rid of the Educational Savings Account Program in the State of Nevada. If I am wrong, please correct me.

SENATOR RATTI:

This amendment does some very simple things. It puts money into school safety. This Body has discussed school safety, and there were interim conversations about school safety. There have been terrible and tragic events, and we all know we want to make sure our schools are safe. This gets a sustainable, on-going source of revenue into our schools, with more money and a better education for all children in our public schools. It ensures we address something we heard a lot about this Session, which is to make sure those children who have had the Opportunity Scholarship can continue their education in that space, and that no low-income child will lose that scholarship. All we ask to do that is to continue an existing revenue stream so no corporation gets a tax cut, and we can sustainably, and in an ongoing way, fund our schools. It is as simple as that. I stand here proudly to say we are going to put as much money as possible into public schools and invest in a public school education that produces people like my colleague, Senator Cannizzaro, who will grow up, become lawyers and serve their State. We need to do this. It is the right thing to do. I stand in support.

SENATOR HARDY

My offer still stands to get in a small room and work things out. It is still possible to have an ongoing way to fund education without breaking the two-thirds Constitutional amendment.

SENATOR HANSEN

Everyone in this room supports public education, but this boils down to the idea we are going to violate the Constitution. The original amendment, Amendment No. 1120, showed we were supposed to have a two-thirds vote. The people of Nevada should be respected. We have made repeated offers to raise other forms of taxes, and they have been rejected. Now, here we are, with less than 12 hours left in this Session, having a floor debate over something that should have been discussed weeks or even months ago. It is disingenuous on the part of leadership to act like our party has been against public education when we have bent over backwards to try and work to improve public education and give it the necessary finances. There is a substantial sum of money left.

I urge my colleagues to vote no on this amendment to protect the rights of the people in the Gibbon's Tax Restraint Initiative. This was overwhelmingly passed to ensure any tax increases are done with a two-thirds majority. In 2009, when this State was in a fiscal crisis, the people in this room made a series of sunsetted taxes to get us through those troubled times. We are in flush times now. This budget is at least 12 percent above the last budget passed in 2017. It is not like we are being miserly and cutting back on public education or any other necessary services we provide for the State of Nevada. We should allow these things to sunset as was intended when they initially passed. We should act fiscally appropriate by having a reasonable discussion in this room about other forms of taxation rather than relying on sunsetted taxes that were passed intentionally to be temporary in nature.

SENATOR SPEARSLEY

I rise in strong support of this measure, as I did for the last one. My colleague from District 14 was in the Assembly in 2015, but some of us were here. I was on the Committee on Revenue and Development and listened to the Governor's speech as he introduced his new tax plan. One of the things he said was that this was not the all to end all. He said we would have to keep going and make sure to fund education. Many of my colleagues rose to support voting for that tax and said amen to what he said. It is not true that we are taking away Opportunity Scholarships; it is not a correct representation of what is in this bill. We are talking about a continuous funding stream. There is no way to verify that we now have \$100 million and that should be taken into question. Even if we have a surplus, we are still not funding education the right way, we are not funding mental health. There are a lot of things we are not doing.

I have heard several times in these debates that this is a last-minute thing and there is not enough time. There are colleagues of mine who were here in 2015 and know that when we came back in to session at 11:50 p.m., there was a document on our desks we had not read. Do not try to teach me about lack of time. This is far more time than we had in 2015.

We are talking about funding education. We are not talking about this, that or the other. We are talking about funding education. Anyone who is prudent knows you cannot use a onetime source of income to fund something that is continuous. I reject the notion that this is last minute because I have a lot of colleagues who were here in 2015 at ten minutes before midnight, and you voted for that legislation. You rammed it right down. Do not try to teach me that this is last minute. Do not insult my intelligence.

SENATOR PICKARD

Fortunately, what we do here is recorded. I ask the 13 people I was speaking to before to look into the chronology of what has happened here today and in the last few days. Look at who came out with a transparent proposal and who did not. There have been denials of the numbers, and yet the numbers are coming from fiscal staff not from us. The staff put together the numbers and has repeatedly demonstrated there are dollars available to be spent on education, yet over the last 24 hours, these have been diverted to other priorities. It is not that these are not worthy; but if I were to choose between the Reno Rodeo or funding education, as worthy as both are, I would pick education.

There are examples in both Houses of what I was talking about before. At the end of the day, look to what happened. Look at who has been asking for education and who has been asking for other things. Look at how these bills were dropped and how the proposals were made. Look to things like what has been put into the bill to try and force someone's hand. If this is the gamesmanship and the kind of dealings you want, vote for it. If this kind of partisanship and division is something you feel should not remain, vote against it.

Senators Scheible, Woodhouse and Ohrenschall moved the previous question.

Motion carried.

The question being the adoption of Amendment No. 1121 to Senate Bill No. 551.

Senators Settelmeyer, Pickard and Hammond requested a roll call vote on Senator Cannizzaro's motion.

Roll call on Senator Cannizzaro's motion

YEAS—13.

NAYS—Goicoechea, Hammond, Hansen, Hardy, Kreckhoffer, Pickard, Seevens, Gansert, Settelmeyer—8.

Amendment adopted.

Bill read third time

Remarks by Senators Hansen and Hammond.

SENATOR HANSEN

I want to be on the record as stating that in one of the most critical bills of the Session, with just 11 hours to go, the Majority party has twice deliberately shut down our ability to discuss this in front of the entire State of Nevada.

SENATOR HAMMOND

Some people think removal of the Educational Savings Account Program will get a rise out of some people on this floor; it will not. This will go through, and we know where the bill will be headed in the near future, so I am not too worried about that.

There were comments made earlier by leadership regarding tough decisions. We have all made tough decisions. If we have been in office for any number of years, we have made a number of tough decisions, not just this year. In 2015, when we talked about funding education, we knew why we needed money. We knew what programs we were talking about, what the programs were designed to achieve, and we had a decision to make. When that tax came to us from the Assembly, the Modified Business Tax provision had been added, the buy down. Many of us liked it because what we were saying was, as the Commerce Tax increased and delivered as promised, spreading out the tax burden, small businesses would receive a break. This would allow them to hire more individuals and would not be an impediment to hiring people. I liked that.

One of the things our constituents and people throughout the United States have in common is they do not trust us. Too often, we say one thing, then do another. We made a deal in 2015 and voted on it; we said something would happen. We can debate and say we have money for this. We did not know until today what the money for this extension was for, and we repeatedly asked about its use. Never did we get an answer. Do not tell me you need money to need money. That is exactly why people do not trust government. They think we take money from them for whatever reasons without letting them know.

In 2015, we were clear about why we needed the money. We made a tough decision, and I am going to stick to the commitment I made in 2015. I want something to go away so the people can see we do walk up to those commitments. For that reason, I am opposed to this bill now, an hour from now and 11 hours from now.

Roll call on Senate Bill No. 551.

YEAS—13.

NAYS—Goicoechea, Hammond, Hansen, Hardy, Kieckhefer, Pickard, SeEVERS Gansert, Settelmeyer—8.

Senate Bill No. 551 having received a constitutional majority, Madam President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 557.

Bill read third time.

The following amendment was proposed by Senators Pickard and SeEVERS Gansert:

Amendment No. 1100

SUMMARY—Revises provisions relating to campaign practices (BDR 24-1272)

AN ACT relating to campaign practices; defining "personal use" of campaign contributions; prohibiting a candidate or public officer from paying himself or herself a salary with campaign contributions, requiring certain organizations that make monetary contributions to candidates to file a report of such contributions with the Secretary of State; ~~prohibiting a person from making a monetary contribution to a candidate in the form of cash~~, providing penalties, and providing other matters properly relating thereto.
Legislative Counsel's Digest

Existing law makes it unlawful for a candidate to spend money received as a campaign contribution for the candidate's personal use. Existing law also authorizes a candidate who is elected to a public office to use unspent contributions to pay expenses related to the public office (NRS 294A.160). Section 6 of this bill clarifies that it is unlawful for a public officer to use unspent contributions for the public officer's personal use. Section 3 of this bill defines "personal use" as the use of contributions to fulfill a commitment, obligation or expense of: (1) a candidate that would exist irrespective of his or her campaign; or (2) a public officer that would exist irrespective of the duties of his or her public office.

Section 6 makes it unlawful for a candidate or public officer to pay himself or herself a salary with campaign contributions.

Existing law requires candidates and certain other persons, committees and political organizations to file with the Secretary of State reports disclosing certain contributions received and campaign expenses and expenditures made. (NRS 294A.120, 294A.125, 294A.140, 294A.150, 294A.200, 294A.210, 294A.220) Section 4 of this bill requires an organization that makes contributions to candidates during a calendar ~~year~~ quarter, the total of which to all candidates is ~~(\$10,000)~~ \$1,000 or more, to file a report of those contributions with the Secretary of State. Section 2 of this bill defines "organization." Section 8 of this bill requires the Secretary of State to include these contributions in the compiled information made publicly available by the

SENATE IN SESSION

At 12 02 p.m.
President Marshall presiding
Quorum present

A Committee from the Assembly, consisting of Assemblymen Carlton, Monroe-Moreno and Ellison appeared before the bar of the Senate and announced that the Assembly is ready to adjourn *sine die*.

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

Senate in recess at 12:03 a.m.

SENATE IN SESSION

At 12 14 a.m.
President Marshall presiding
Quorum present.

Senator Woodhouse reported that her Committee has informed the Assembly that the Senate is ready to adjourn *sine die*.

Senator Parks reported that his Committee has informed the Governor that the Senate is ready to adjourn *sine die*.

Majority Leader Cannizzaro moved that the 80th Session of the Senate of the Legislature of the State of Nevada adjourn *sine die*.
Motion carried.

Senate adjourned at 12 15 a.m.

Approved

KATE MARSHALL
President of the Senate

Attest: CLAIRE J. CLIFT
Secretary of the Senate

EXHIBIT 12

EXHIBIT 12



BRIAN SANDOVAL
Governor
JAMES DEVOLLO
Chair, Nevada Tax Commission
WILLIAM D. ANDERSON
Executive Director

STATE OF NEVADA DEPARTMENT OF TAXATION

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COMMERCE TAX NEWS RELEASE

October 11, 2018

Commerce Tax generates nearly \$202 million in revenue in fiscal year 2018, 8.5 percent above forecast

Combined Commerce Tax, Modified Business Tax, and Bank Branch Excise Tax revenues exceed fiscal year 2018 projections by 10.1 percent, triggering reduction in Modified Business Tax rates

Statement from Bill Anderson, Executive Director, Nevada Department of Taxation

The Commerce Tax generated \$201.93 million during fiscal year 2018, Nevada's third year of collections. This is 8.5 percent above the year's forecast of \$186.05 million, and about 2.1 percent above collections in fiscal year 2017. Roughly half of all Commerce Tax revenue in fiscal year 2018 came from three of Nevada's largest industries: retail trade, wholesale trade, and accommodations. Collectively, these industries contributed around \$95.8 million to this fiscal year's total. For the year, about 133,000 taxpayers filed Commerce Tax returns and, of those, approximately 6,500 owed tax. Currently, all businesses in Nevada are required to file returns, but tax is only owed if the business has gross revenue in the year that is more than \$4 million.

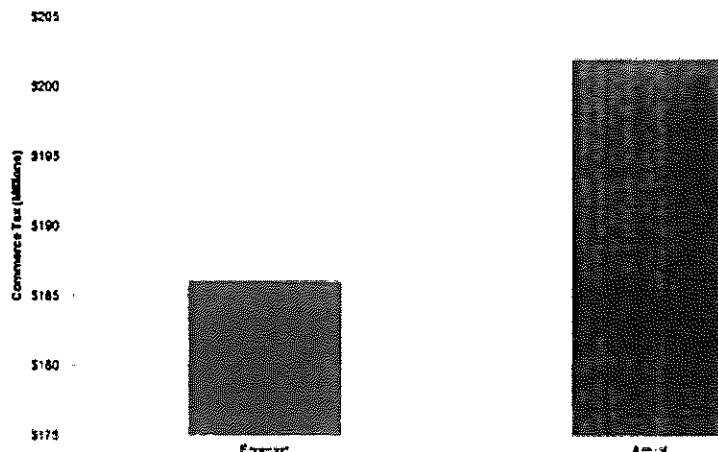
Because this fiscal year's Commerce Tax collections—combined with Modified Business Tax and Bank Branch Excise Tax collections—brought in more revenue than forecasted, the state's businesses will see lower Modified Business Tax rates in fiscal year 2020. By law, in even-numbered years, the Department looks at combined collections from the three taxes. If combined collections exceed the Economic Forum's forecast amounts by more than four percent, the Department must lower the Modified Business Tax rates to a level that would have resulted in combined collections of only four percent above forecast. Combined collections in fiscal year 2018 came in 10.1 percent above forecast, triggering the Department to lower the Modified Business Tax rates for fiscal year 2020, which begins July 1, 2019. The new rates are calculated to hypothetically decrease total fiscal year 2018 Modified Business Tax collections by nearly \$43.5M. Rates for Commerce Tax—which vary by industry—and the Bank Branch Excise Tax are not affected.

Highlights

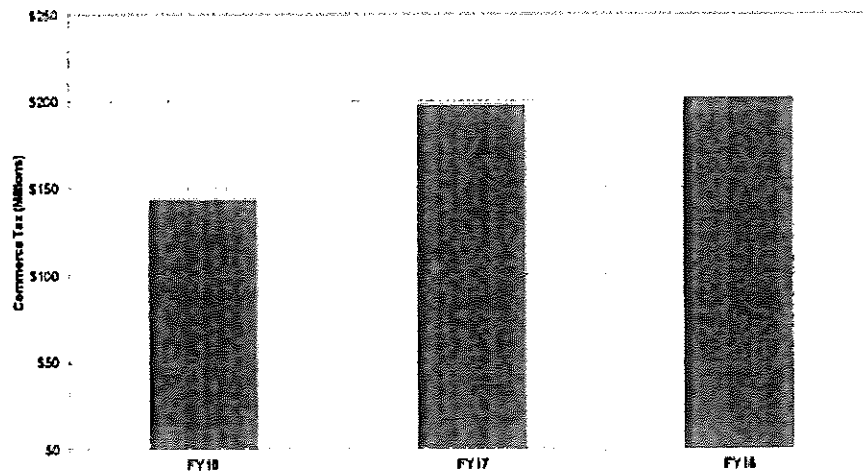
- Fiscal year 2018 Commerce Tax revenue totals \$201.93 million, 8.5 percent over forecast
 - Fiscal year 2017 Commerce Tax revenue was \$197.83 million; Fiscal year 2016 was \$143.51 million
- Three industries made up around half of all collections: \$42.5 million for retail trade, \$31.1 million for wholesale trade, and \$22.2 million for accommodations

- This fiscal year, about 133,000 businesses filed Commerce Tax returns; Of those, about 6,500 owed tax
- Commerce Tax is imposed on each business entity engaged in business in Nevada whose gross revenue is more than \$4 million in a fiscal year; By law, all businesses must file a return, even if they do not owe any tax
 - Rates vary by industry and range from .051 percent to .331 percent
- Combined Commerce Tax, Modified Business Tax, and Bank Branch Excise Tax collections totaled \$786.5 million in fiscal year 2018; Combined forecast for the fiscal year was \$714.5 million; Combined collections were 10.1 percent above forecast
 - Based on combined collections, the Department will lower Modified Business Tax rates beginning in fiscal year 2020
 - General business MBT rate: current rate is 1.475 percent; new rate is 1.378 percent; General business makes up about 91 percent of all MBT payers
 - Mining and financial institutions MBT rates: current rates are 2 percent; new rates are 1.853 percent
- In fiscal year 2018, businesses claimed \$55.7 million in Modified Business Tax credits against Commerce Tax they paid in fiscal year 2017; Businesses can take a credit against their Modified Business Tax for up to 50 percent of the Commerce Tax amount they paid in the prior year
- Modified Business Tax is a tax on wages; For general businesses, the tax is imposed if wages in a calendar quarter are more than \$50,000 after health care deductions; For financial institutions and mining, the tax is imposed on gross wages, after health care deductions, paid by the employer during the calendar quarter
 - Fiscal year 2018 collections total \$581.8 million, 10.7 percent above forecast
- The Bank Branch Excise Tax is imposed on each bank at the rate of \$1,750 for each branch office in excess of one maintained by the bank in any county in the state
 - Fiscal year 2018 collections total \$2.7 million, 1.6 percent below forecast

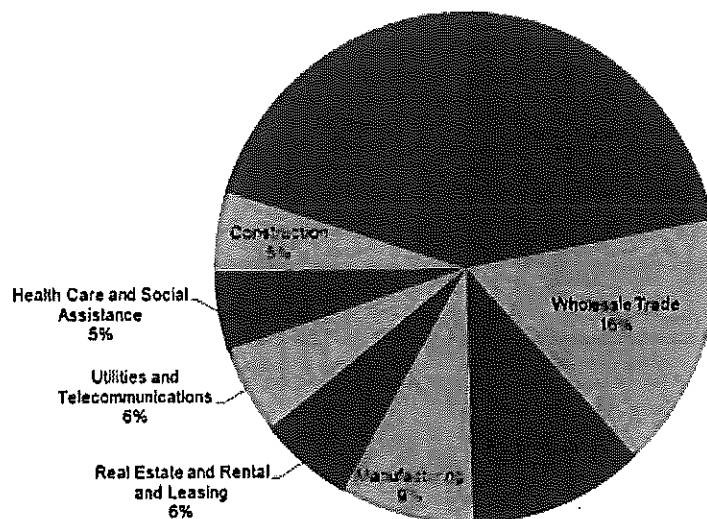
**Commerce Tax collections total \$201.93 million in fiscal year 2018;
8.5 percent above forecast**



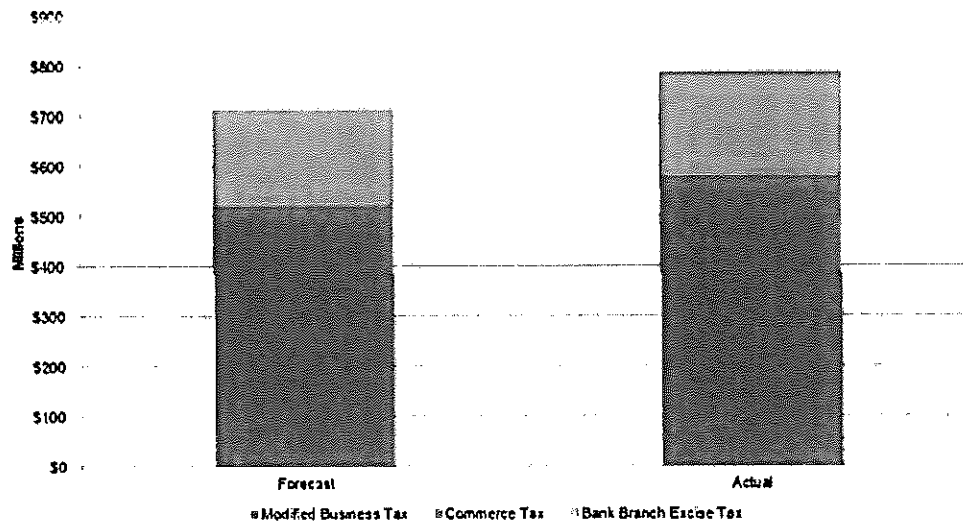
Commerce tax collections have increased each year since beginning in fiscal year 2016



About half of all Commerce Tax revenue in fiscal year 2018 came from three of Nevada's largest industries



**Combined collections from Commerce Tax, Modified Business Tax, and Bank Branch
Excise Tax come in 10.1 percent above forecast;
*Triggers lower MBT rates***



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6 Email: jtownsend@allisonmackenzie.com

7 Attorneys for Plaintiffs

8
9 IN THE FIRST JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA
10 IN AND FOR CARSON CITY
11

12 THE HONORABLE JAMES SETTELMAYER,
13 THE HONORABLE JOE HARDY,
14 THE HONORABLE HEIDI GANSERT,
15 THE HONORABLE SCOTT HAMMOND,
16 THE HONORABLE PETE GOICOECHEA,
17 THE HONORABLE BEN KIECKHEFER,
18 THE HONORABLE IRA HANSEN, and
19 THE HONORABLE KEITH PICKARD,
20 in their official capacities as members of the
Senate of the State of Nevada and individually;
21 GREAT BASIN ENGINEERING
22 CONTRACTORS, LLC, a Nevada limited
23 liability company; GOODFELLOW
24 CORPORATION, a Utah corporation qualified
25 to do business in the State of Nevada;
KIMMIE CANDY COMPANY, a Nevada
corporation; KEYSTONE CORP., a Nevada
nonprofit corporation; NATIONAL FEDERATION
OF INDEPENDENT BUSINESS, a California
nonprofit corporation qualified to do business
in the State of Nevada; NEVADA FRANCHISED
AUTO DEALERS ASSOCIATION, a Nevada
nonprofit corporation; NEVADA TRUCKING
ASSOCIATION, INC., a Nevada nonprofit
corporation; and RETAIL ASSOCIATION
OF NEVADA, a Nevada nonprofit corporation,

26 Plaintiffs,

27 vs.

28 ///

///

REC'D & FILED
SEP 08 2020

Date

AUBREY ROWLATT
CLERK

By K. PETERSON Deputy

Case No: 19 OC 00127 1B

Dept. No: I

**PLAINTIFFS' SUPPLEMENT
TO REPLY IN SUPPORT OF
MOTION FOR SUMMARY
JUDGMENT; AND OPPOSITION
TO LEGISLATIVE DEFENDANTS'
AND LEGISLATURE'S COUNTER-
MOTION FOR SUMMARY
JUDGMENT**

1 STATE OF NEVADA *ex rel.* THE
2 HONORABLE NICOLE CANNIZZARO,
3 in her official capacity as Senate Majority
4 Leader; THE HONORABLE KATE
5 MARSHALL, in her official capacity as
6 President of the Senate; CLAIRE J. CLIFT,
7 in her official capacity as Secretary of
8 the Senate; THE HONORABLE STEVE
9 SISOLAK, in his official capacity as
10 Governor of the State of Nevada; NEVADA
11 DEPARTMENT OF TAXATION;
12 NEVADA DEPARTMENT OF MOTOR
13 VEHICLES; and DOES I-X, inclusive,

14 Defendants.

15 and

16 THE LEGISLATURE OF THE
17 STATE OF NEVADA,

18 Defendant-Intervenor.
19

20 **PLAINTIFFS' SUPPLMENT TO REPLY IN SUPPORT OF MOTION FOR SUMMARY**
21 **JUDGMENT; AND**
22 **OPPOSITION TO LEGISLATIVE DEFENDANTS' AND**
23 **LEGISLATURE'S COUNTER-MOTION FOR SUMMARY JUDGMENT**

24 Plaintiffs, by and through their attorneys, ALLISON MacKENZIE, LTD., submit their
25 Supplement to Reply in Support of their Motion for Summary Judgment; and their Opposition to
26 Counter-Motion for Summary Judgment.

27 This Supplement contains Exhibit 13, a Legislative Counsel Bureau Opinion dated May 5,
28 1997, to Speaker Joseph E. Dini, Jr. Speaker, regarding Section 18(2) of Article 4 of the Nevada
Constitution received today by the Plaintiffs from Legislative Counsel. Plaintiffs requested a copy of
this opinion on August 20, 2020 and just received it today, September 8, 2020.

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///

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AFFIRMATION

The undersigned does hereby affirm that the preceding document DOES NOT contain the social security number of any person.

DATED this 8th day of September, 2020.

ALLISON MacKENZIE, LTD.
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Carson City, NV 89703
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By:



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Email: jtownsend@allisonmackenzie.com

Attorneys for Plaintiffs

CERTIFICATE OF SERVICE

Pursuant to NRCP Rule 5(b), I hereby certify that I am an employee of ALLISON, MacKENZIE, LTD., Attorneys at Law, and that on this date, I caused the foregoing document to be served on all parties to this action by:

- ☐ Placing a true copy thereof in a sealed postage prepaid envelope in the United States Mail in Carson City, Nevada
- ☐ Hand-delivery - via Reno/Carson Messenger Service
- ☒ Electronic Transmission
- ☐ Federal Express, UPS, or other overnight delivery
- ☐ E-filing pursuant to Section IV of District of Nevada Electronic Filing Procedures

fully addressed as follows:

Kevin C. Powers, Esq.
Legislative Counsel Bureau, Legal Division
kpowers@lcb.state.nv.us

Aaron D. Ford, Esq.
Craig A. Newby, Esq.
Office of the Attorney General
CNewby@ag.nv.gov

DATED this 8th day of September, 2020.


JOHN BROOKS

INDEX OF EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>	<u>Number of Pages</u>
"13"	May 5, 1997 Opinion	6
4839-0239-8410, v. 1		

EXHIBIT 13

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

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BRENDA J. ERDOES, Legislative Counsel (702) 687-6830

May 5, 1997

Speaker Joseph E. Dini, Jr.
Assembly Chambers

Dear Speaker Dini:

You have asked several questions concerning the effect on the Legislature of the recent amendment of Section 18 of Article 4 of the Nevada Constitution that requires a two-thirds majority vote to pass a bill or joint resolution that creates, generates or increases any public revenue in any form.

Ballot Question No. 11 of the 1996 General Election proposed the following amendment to Section 18 of Article 4 of the Nevada Constitution:

[Sec:] *Sec. 18. 1. Every bill, except a bill placed on a consent calendar adopted as provided in [this section, shall] subsection 4, must be read by sections on three several days, in each House, unless in case of emergency, two thirds of the House where such bill [may be] is pending shall deem it expedient to dispense with this rule. [: but the] The reading of a bill by sections, on its final passage, shall in no case be dispensed with, and the vote on its final passage, shall in no case be dispensed with, and the vote on final passage of every bill or joint resolution shall be taken by yeas and nays to be entered on the journals of each House. [: and] Except as otherwise provided in subsection 2, a majority of all the members elected in each house [, shall be] is necessary to pass every bill or joint resolution, and all bills or joint resolutions so passed, shall be signed by the presiding officers of the respective Houses and by the Secretary of the Senate and Clerk of the Assembly.*

2. Except as otherwise provided in subsection 3, an affirmative vote of not fewer than two-thirds of the members elected to each house is necessary to pass a bill or joint resolution which creates, generates, or increases any

public revenue in any form, including but not limited to taxes, fees, assessments and rates, or changes in the computation bases for taxes, fees, assessments and rates.

3. *A majority of all of the members elected to each house may refer any measure which creates, generates, or increases any revenue in any form to the people of the State at the next general election, and shall become effective and enforced only if it has been approved by a majority of the votes cast on the measure at such election.*

4. Each House may provide by rule for the creation of a consent calendar and establish the procedure for the passage of uncontested bills.

The amendment became effective on November 27, 1996. No specific precedent exists as to the manner in which the courts will construe the language of this constitutional requirement. Therefore, we must rely upon the rules of statutory construction to answer your questions.

The Nevada Supreme Court has long held that the rules of statutory construction govern the interpretation of constitutional provisions and apply equally to statutes and constitutions. State ex rel. Perry v. Arrington, 18 Nev. 412, 414 (1884). It is a fundamental rule of construction that if a provision is clear and unambiguous on its face, a court may not go beyond the language of the provision in determining the drafter's intent. Roberts v. State of Nevada, 104 Nev. 33, 34 (1988). Generally, if a term has not been given a definition, the accepted rule is that the term must be given its plain and ordinary meaning. See Cunningham v. State, 109 Nev. 569, 571 (1993); Ex parte Ming, 42 Nev. 472, 492 (1919). Thus, "[w]hen the language of a statute is plain and unambiguous, a court should give that language its ordinary meaning and not go beyond it." City Council of Reno v. Reno Newspapers, Inc., 105 Nev. 886, 891 (1989). To arrive at the plain and ordinary meaning of a term, a reviewing court usually relies upon dictionary definitions because those definitions reflect the plain and ordinary meanings that are commonly ascribed to words and terms. See Cunningham, 109 Nev. at 571. There are no definitions provided for the terms used in the provisions added to Section 18 of Article 4 of the Nevada Constitution. Therefore, I will apply these principles of construction to answer each of your questions separately below.

Application to Votes of Committees, Votes on Procedural Matters or Votes of Local Governing Bodies

You have asked whether the requirement for a two-thirds majority vote applies to any vote other than the final vote on a measure in each house of the legislature. Subsection 2 of Section 18 of Article 4 of the Nevada Constitution states that "an affirmative vote of not fewer than two-thirds of the members elected to each house is

necessary to pass a bill or joint resolution." This language mirrors language contained in subsection 1 of this section concerning the final passage of a bill or resolution. A careful reading of subsection 2, in conjunction with subsection 1, produces the conclusion that the requirement for a two-thirds majority vote applies only to the final vote on the bill or joint resolution in each house. Therefore, it is the opinion of this office that the requirement does not apply to any votes on the measure in committee or the votes in either house on procedural matters concerning the measure, including the referral or amendment of the measure. Similarly, the requirement by its terms does not apply to any other entity, such as a local governing body.

Application to Revenue of Local Governments

You have asked whether the provisions of subsection 2 of Section 18 of Article 4 of the Nevada Constitution apply when the Legislature is creating, generating or increasing the revenue of a local government. Because of the broadness of the wording of subsection 2, it will be difficult to exclude, with any confidence, any bill or joint resolution which in any way "creates, generates, or increases any public revenue in any form" from the requirement for a two-thirds majority vote. It appears that the requirement would apply whether the revenue being created, generated or increased is state money or that of a local government for both are covered by the common meaning of the term "public revenue." Therefore, it is the opinion of this office that the requirement for a two-thirds majority vote would apply to a measure which creates, generates or increases any source of public revenue, whether that revenue is generated for use by the state or a local government.

Application to Enabling Legislation

You have asked whether the requirement for a two-thirds majority vote applies to enabling legislation, such as a measure in which the Legislature authorizes a local government to impose or increase a tax or a fee or a measure which authorizes a state agency to charge and collect a fee. As indicated earlier in this opinion, the language of subsection 2 states that the requirement applies to any measure "which creates, generates, or increases any public revenue in any form." The plain meaning of the terms "create," "generate" and "increase" will determine the application of the subsection. The common dictionary meaning of "create" is to "bring into being." Similarly, the common meaning of "generate" is to "bring into existence" or "produce." The term "increase" is defined to mean "to make greater or larger." Webster's New International Dictionary (Second Edition). These terms all clearly refer to taking the action of creating, generating or increasing rather than the action of authorizing some other entity to do so. If the requirement were meant to apply to enabling legislation, it would have

included a term such as "authorizing" or "enabling." Therefore, it is the opinion of this office that the two-thirds requirement does not apply to a measure which only authorizes or enables a local governing body to impose or increase a tax or fee because the decision as to whether the action will be taken is left to be made by another governing body at another time.

However, it should be noted that there may be specific cases where the requirement for a two-thirds majority vote will apply to a measure which authorizes or enables a state agency to impose or increase a fee if, in combination with other measures or actions taken by the Legislature, the revenue to be derived from the fee is, in effect, created, generated or increased by the Legislature. For example, if the measure in question authorizes a state agency to charge and collect a fee of up to a certain amount, and the Authorized Expenditures Act for the same legislative session authorizes the expenditure of the money received from this fee to carry out the work programs in the budget that the Legislature approves for the agency, such action would be tantamount to imposition of the fee by the Legislature. Thus, there is an argument that the measure which authorizes the imposition or increase of the fee created, generated or increased revenue for the state. Therefore, it is the opinion of this office that although the two-thirds requirement does not apply to measures which authorize or enable a local governing body to impose a fee or a tax, it will likely apply to a measure which authorizes or otherwise enables a state agency to charge and collect a fee if, in combination with other actions taken by the Legislature, the fee is essentially imposed or increased by the action of passing that measure.

Application to Minimal Increases and Offset Revenue

You have asked whether the provisions of subsection 2 of Section 18 of Article 4 of the Nevada Constitution apply when the increase is minimal or when the Legislature includes a source of revenue in a measure only for the purpose of providing the funding for a new program established by the remaining portions of the measure or other expenditures in the measure. There is no *de minimus* exception to the requirement for a two-thirds majority vote. Therefore, it is the opinion of this office that the requirement would be applicable even if the revenue being created, generated or increased is an insignificant amount. Similarly, because there is no exception to the requirement for revenue which is offset, it is the opinion of this office that the requirement would apply even if the revenue being created, generated or increased is completely offset by expenditures required by the measure.

Application to Changes in the Computation Bases for Taxes, Fees, Assessments and Rates

You have asked whether the requirement for a two-thirds majority vote applies to all measures which change the computation bases for taxes, fees, assessments or rates. The language of the provision states that the requirement for a two-thirds majority vote applies to a measure "which creates, generates, or increases any public revenue in any form, including . . . changes in the computation bases for taxes, fees, assessments and rates." Therefore, it is the opinion of this office that the requirement for a two-thirds majority vote only applies to measures which change the computation bases for taxes, fees, assessments or rates in a manner that will have the effect of creating, generating or increasing state or local revenue.

Failure to Comply with the Requirement

The penalty for failure by the Legislature to comply with the requirement for a two-thirds majority vote is likely to be that the provision or provisions that create, generate or increase public revenue, if challenged, would be void and therefore unenforceable. Depending upon the nature of the remainder of the provisions in the measure and their relationship to the revenue provision, the court could also hold some or all of the remaining provisions to be void as well. The severability clause in NRS 0.020 would apply to any revenue provisions that were added to NRS. Therefore, unless a separate severability clause is included in the measure, the standard for determining whether the other portions of a measure containing a voided revenue provision would also be invalidated would be whether those portions "can be given effect without the invalid provision or application." (NRS 0.020) The determination of a court based upon this standard may be different than intended by the Legislature, especially in cases where the voided provision would have provided the funding for a new program established by the remaining portions of the measure. The extent to which ancillary provisions are voided by the court can be controlled by the Legislature in most cases by including in the measure a separate severability clause which states which provisions the Legislature wishes to be void if the revenue provisions are voided by the court.

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Speaker Dini

May 5, 1997

Page 6

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Please let me know if you have any further questions regarding this matter.

Very truly yours,



Brenda J. Erdoes
Legislative Counsel

EXHIBIT 13

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Application to Senate Bill No. 223

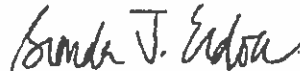
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Please let me know if you have any further questions regarding this matter.

Very truly yours,



Brenda J. Erdoes
Legislative Counsel

JA001075

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10 *Nicole Cannizzaro and Secretary of the Senate Claire Clift and*
11 *Defendant-Intervenor Nevada Legislature*

12 **FIRST JUDICIAL DISTRICT COURT OF NEVADA**
13 **CARSON CITY**

14 THE HONORABLE JAMES SETTELMAYER,
15 THE HONORABLE JOE HARDY, THE
16 HONORABLE HEIDI GANSERT, THE
17 HONORABLE SCOTT HAMMOND, THE
18 HONORABLE PETE GOICOECHEA, THE
19 HONORABLE BEN KIECKHEFER, THE
20 HONORABLE IRA HANSEN, and THE
21 HONORABLE KEITH PICKARD, in their
official capacities as members of the Senate of
the State of Nevada and individually; GREAT
BASIN ENGINEERING CONTRACTORS,
LLC, a Nevada limited liability company;
GOODFELLOW CORPORATION, a Utah
corporation qualified to do business in the State
of Nevada; KIMMIE CANDY COMPANY, a
Nevada corporation; KEYSTONE CORP., a
Nevada nonprofit corporation; NATIONAL
FEDERATION OF INDEPENDENT
BUSINESS, a California nonprofit corporation
qualified to do business in the State of Nevada;
NEVADA FRANCHISED AUTO DEALERS
ASSOCIATION, a Nevada nonprofit corporation;
NEVADA TRUCKING ASSOCIATION, INC., a
Nevada nonprofit corporation; and RETAIL
ASSOCIATION OF NEVADA, a Nevada
nonprofit corporation,

22 Plaintiffs,

23 vs.
24

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Case No. 19 OC 00127 1B

Dept. No. I

**DEFENDANTS STATE OF NEVADA
EX REL. SENATE MAJORITY
LEADER NICOLE CANNIZZARO AND
SECRETARY OF THE SENATE
CLAIRE CLIFT'S AND DEFENDANT-
INTERVENOR NEVADA
LEGISLATURE'S REPLY IN
SUPPORT OF COUNTER-MOTION
FOR SUMMARY JUDGMENT**

Hearing Date: September 21, 2020

Hearing Time: 1:30 p.m.

JA001076

1 STATE OF NEVADA ex rel. THE
2 HONORABLE NICOLE CANNIZZARO, in her
3 official capacity as Senate Majority Leader; THE
4 HONORABLE KATE MARSHALL, in her
5 official capacity as President of the Senate;
6 CLAIRE J. CLIFT, in her official capacity as
7 Secretary of the Senate; THE HONORABLE
8 STEVE SISOLAK, in his official capacity as
9 Governor of the State of Nevada; NEVADA
10 DEPARTMENT OF TAXATION; NEVADA
11 DEPARTMENT OF MOTOR VEHICLES; and
12 DOES I-X, inclusive,

Defendants,

and

13 THE LEGISLATURE OF THE
14 STATE OF NEVADA,

Defendant-Intervenor.

15 **DEFENDANTS STATE OF NEVADA EX REL. SENATE MAJORITY LEADER**
16 **NICOLE CANNIZZARO AND SECRETARY OF THE SENATE CLAIRE CLIFT'S**
17 **AND DEFENDANT-INTERVENOR NEVADA LEGISLATURE'S REPLY IN**
18 **SUPPORT OF COUNTER-MOTION FOR SUMMARY JUDGMENT**
19
20
21
22
23
24

TABLE OF CONTENTS

REPLY	1
MEMORANDUM OF POINTS AND AUTHORITIES	1
I. Argument.....	1
A. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall are entitled to judgment as a matter of law on Plaintiffs' federal constitutional claims and claims for attorney's fees and costs because they are not necessary and proper party-defendants to this litigation as a matter of law given that: (1) they do not have any connection with enforcement of the challenged legislation; and (2) they are entitled to absolute legislative immunity as a matter of law for all actions relating to the passage and approval of SB 542 and SB 551.	1
B. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall are entitled to judgment as a matter of law on Plaintiffs' state constitutional claims and claims for attorney's fees and costs because they are not necessary and proper party-defendants to this litigation as a matter of law given that: (1) they do not have any connection with enforcement of the challenged legislation; and (2) they are entitled to absolute legislative immunity as a matter of law for all actions relating to the passage and approval of SB 542 and SB 551.	7
C. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall and Defendant-Intervenor Legislature are entitled to judgment as a matter of law on Plaintiffs' claims for attorney's fees and costs because, under NRS 41.032, they are entitled to discretionary-function immunity as a matter of law for all actions relating to the passage and approval of SB 542 and SB 551.	10
D. Defendants Senator Cannizzaro and Secretary Clift and Defendant-Intervenor Legislature are entitled to judgment as a matter of law on Plaintiffs' claims for attorney's fees and costs because, under NRS 218F.720, the Legislature and its members, officers and employees cannot be assessed or held liable in litigation for the attorney's fees or any other fees, costs or expenses of any other parties.	11
E. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall are entitled to judgment as a matter of law on Plaintiffs' claims for attorney's fees alleging bad faith conduct because: (1) Nevada's Uniform Declaratory Judgments Act does not authorize recovery of attorney's fees in actions for declaratory relief; and (2) courts cannot award attorney's fees in actions for declaratory relief alleging bad faith conduct without any allegations or evidence of fraud, malice or wantonness.	12

1 F. All Defendants are entitled to judgment as a matter of law because the
2 Legislature could reasonably conclude that SB 542 and SB 551 were not subject to the
two-thirds requirement.....14

3 1. The Legislature could reasonably conclude that SB 542 and SB 551 did not
4 change—but maintained—the existing computation bases and legally operative
rates currently in effect for the DMV technology fee and Modified Business Tax
5 (MBT).14

6 2. Based on the Legislative Counsel’s legal opinion interpreting the two-thirds
7 requirement, the Legislature could reasonably conclude that SB 542 and SB 551
were not subject to the two-thirds requirement, and the Legislature is entitled to
8 deference in its counseled selection of this interpretation.17

9 II. Conclusion and requested relief.....19

10 ADDENDUM.....20

11 CERTIFICATE OF SERVICE.....21

1 **REPLY**

2 Defendants State of Nevada ex rel. Senate Majority Leader Nicole Cannizzaro ("Senator
3 Cannizzaro") and Secretary of the Senate Claire Clift ("Secretary Clift"), and Defendant-
4 Intervenor Nevada Legislature (collectively "Legislative Defendants"), by and through their
5 counsel the Legal Division of the Legislative Counsel Bureau ("LCB Legal") under NRS
6 218F.720, hereby submit their Reply in Support of their Counter-Motion for Summary Judgment.
7 This Reply is made under NRCP 56 and FJDCR 3.7 and is based upon the attached Memorandum
8 of Points and Authorities, all pleadings, documents and exhibits on file in this case and any oral
9 arguments this Court may allow at the hearing set for September 21, 2020 at 1:30 p.m.

10 **MEMORANDUM OF POINTS AND AUTHORITIES**

11 **I. Argument.**

12 **A. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.**
13 **Governor Marshall are entitled to judgment as a matter of law on Plaintiffs' federal**
14 **constitutional claims and claims for attorney's fees and costs because they are not**
15 **necessary and proper party-defendants to this litigation as a matter of law given that:**
(1) they do not have any connection with enforcement of the challenged legislation; and
(2) they are entitled to absolute legislative immunity as a matter of law for all actions
relating to the passage and approval of SB 542 and SB 551.

16 In their Motion for Summary Judgment, Plaintiffs never raised or argued that they were
17 entitled to summary judgment against Senator Cannizzaro, Secretary Clift, Governor Sisolak and
18 Lt. Governor Marshall based on their federal equal-protection and due-process claims under the
19 Fourteenth Amendment to the United States Constitution. Plaintiffs also never raised or argued
20 that they were entitled to summary judgment on their claims for attorney's fees and costs against
21 Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall acting in their
22 official capacities. (*Pls' MSJ at 10-21.*)

23 Instead, for the first time in their Reply and Opposition, Plaintiff Senators argue that they are
24 entitled to summary judgment because "Senator Cannizzaro and Secretary Clift (along with the

1 other named individual defendants) have denied them their right to place effective votes as duly
2 elected members of the Senate, thus violating their equal protection and due process rights.” (*Pls’*
3 *Reply & Opp’n at 36.*) Additionally, for the first time in their Reply and Opposition, Plaintiff
4 Businesses argue that they are entitled to summary judgment based on their federal due-process
5 claims “as a result of Senator Cannizzaro’s and Secretary Clift’s (and the other named individual
6 defendants’) violation of the Nevada Constitution.” *Id.* Finally, for the first time in their Reply
7 and Opposition, Plaintiffs argue that they are entitled to summary judgment on their claims for
8 attorney’s fees and costs against Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.
9 Governor Marshall acting in their official capacities. (*Pls’ Reply & Opp’n at 39-40.*)

10 In addition to failing to raise or argue their federal constitutional claims and claims for
11 attorney’s fees and costs in their Motion for Summary Judgment, Plaintiffs also failed to properly
12 plead or argue their federal constitutional claims under 42 U.S.C. §1983 (section 1983) as required
13 by federal law. When a plaintiff alleges federal constitutional claims, the plaintiff’s federal claims
14 “must meet federal standards even if brought in state court.” *Madera v. SIIS*, 114 Nev. 253, 259
15 (1998); *Will v. Mich. Dep’t State Police*, 491 U.S. 58, 66 (1989). Under those federal standards,
16 in order for a plaintiff to bring claims for federal constitutional violations, the plaintiff cannot
17 bring a direct cause of action under the United States Constitution. Instead, the plaintiff must
18 properly plead civil rights claims under section 1983. *Arpin v. Santa Clara Valley Transp.*
19 *Agency*, 261 F.3d 912, 925 (9th Cir. 2001) (“[A] litigant complaining of a violation of a
20 constitutional right does not have a direct cause of action under the United States Constitution but
21 must utilize 42 U.S.C. §1983.”); *Martinez v. Los Angeles*, 141 F.3d 1373, 1382 (9th Cir. 1998);
22 *Azul-Pacifico, Inc. v. Los Angeles*, 973 F.2d 704, 705 (9th Cir. 1992).

23 As a general rule, when a plaintiff alleges federal constitutional violations but fails to plead
24 civil rights claims under section 1983, the courts will nevertheless “construe [the plaintiff’s]

1 allegations under the umbrella of §1983.” Bank of Lake Tahoe v. Bank of Am., 318 F.3d 914,
2 917 (9th Cir. 2003). Consequently, regardless of Plaintiffs’ inadequate pleading, their federal
3 constitutional claims must be construed as civil rights claims under section 1983.

4 Under section 1983, based on the Ex parte Young doctrine, a plaintiff may bring federal
5 constitutional claims asking for prospective declaratory or injunctive relief against state officers
6 acting in their official capacities to enjoin their enforcement of allegedly unconstitutional statutes.
7 Ex parte Young, 209 U.S. 123, 155-56 (1908); Will, 491 U.S. at 71 n.10. However, in order to
8 invoke the doctrine against state officers acting in their official capacities, the state officers must
9 bear some connection to the enforcement of the challenged statutes. As explained by the U.S.
10 Supreme Court, “[i]n making an officer of the state a party defendant in a suit to enjoin the
11 enforcement of an act alleged to be unconstitutional, it is plain that such officer must have some
12 connection with the enforcement of the act.” Ex parte Young, 209 U.S. at 157.

13 The connection necessary to trigger the Ex parte Young doctrine “must be determined under
14 state law depending on whether and under what circumstances a particular defendant has a
15 connection with the challenged state law.” Snoeck v. Brussa, 153 F.3d 984, 986 (9th Cir. 1998).
16 The connection “must be fairly direct; a generalized duty to enforce state law or general
17 supervisory power over the persons responsible for enforcing the challenged provision will not
18 subject an official to suit.” L.A. County Bar Ass’n v. Eu, 979 F.2d 697, 704 (9th Cir. 1992). If
19 the plaintiff sues a state officer who does not have a sufficiently direct connection under state law
20 with the enforcement of the challenged statute, then the plaintiff’s federal constitutional claims for
21 prospective declaratory or injunctive relief fail as a matter of law. Confederated Tribes v. Locke,
22 176 F.3d 467, 469-70 (9th Cir. 1999); Snoeck, 153 F.3d at 986-88.

23 In this case, the Department of Taxation is empowered by state law with the enforcement of
24 the challenged provisions of SB 551. 2019 Nev. Stat., ch. 537, §§ 2, 3, 37, 39, at 3273, 3275,

1 3294. The Department of Motor Vehicles is empowered by state law with the enforcement of the
2 challenged provisions of SB 542. 2019 Nev. Stat., ch. 400, § 1, at 2501-02. By contrast, Senator
3 Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall are not empowered by
4 state law with the enforcement of the challenged provisions of SB 542 and SB 551. Therefore,
5 because they do not have any connection with the enforcement of the challenged provisions of
6 SB 542 and SB 551, Plaintiffs cannot, as a matter of law, bring federal constitutional claims
7 against them under section 1983 based on the Ex parte Young doctrine.

8 Furthermore, the Ex parte Young doctrine can be applied only to prospective declaratory or
9 injunctive relief because it “does not permit judgments against state officers declaring that they
10 violated federal law in the past.” Puerto Rico Aqueduct & Sewer Auth. v. Metcalf & Eddy, Inc.,
11 506 U.S. 139, 146 (1993). Thus, “declaratory relief is not permitted under Ex parte Young when
12 it would serve to declare only past actions in violation of federal law: retroactive declaratory relief
13 cannot be properly characterized as prospective.” Roberts v. New York, 911 F.Supp.2d 149, 163
14 (N.D.N.Y. 2012).

15 In their Reply and Opposition, Plaintiffs admit that they do not seek prospective injunctive
16 relief against Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall.
17 (*Pls’ Reply & Opp’n* at 35-36.) Instead, Plaintiffs concede that they are seeking only declaratory
18 relief against Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall
19 which would declare that their past actions regarding the passage and approval of SB 542 and
20 SB 551 violated federal law. Id. Because such retrospective declaratory relief is not permitted
21 under section 1983 based on the Ex parte Young doctrine, Plaintiffs cannot, as a matter of law,
22 bring federal constitutional claims against Senator Cannizzaro, Secretary Clift, Governor Sisolak
23 and Lt. Governor Marshall under section 1983 based on the Ex parte Young doctrine.

24 Moreover, Plaintiffs cannot, as a matter of law, bring federal constitutional claims against

1 Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall under section
2 1983 because they are entitled to absolute legislative immunity as a matter of law for all actions
3 relating to the passage and approval of SB 542 and SB 551. Federal law provides legislators with
4 absolute legislative immunity under section 1983 for all actions that fall within the sphere of
5 legitimate legislative activity, regardless of whether the plaintiff alleges that the actions are
6 unconstitutional. Tenney v. Brandhove, 341 U.S. 367, 372-76 (1951); Lake Country Estates v.
7 Tahoe Reg'l Planning Agency, 440 U.S. 391, 403-06 (1979); Supreme Ct. of Va. v. Consumers
8 Union, 446 U.S. 719, 731-34 (1980); Bogan v. Scott-Harris, 523 U.S. 44, 54-56 (1998). In
9 addition, executive officials “outside the legislative branch are entitled to legislative immunity
10 when they perform legislative functions.” Bogan, 523 U.S. at 55; Baraka v. McGreevey, 481 F.3d
11 187, 196 (3d Cir. 2007) (holding that the New Jersey Governor was entitled to absolute legislative
12 immunity for all actions relating to the passage and approval of legislation); Burnette v. Bredezen,
13 566 F.Supp.2d 738, 744-45 (E.D. Tenn. 2008) (holding that all members of the Tennessee
14 Legislature and the Tennessee Governor were entitled to absolute legislative immunity for all
15 actions relating to the passage and approval of legislation).

16 In Bogan, the U.S. Supreme Court held that “legislators are entitled to *absolute immunity*
17 from liability under § 1983 for their legislative activities.” 523 U.S. at 49 (emphasis added). The
18 Court also held that legislative immunity protects all actions that are “integral steps in the
19 legislative process.” Id. at 55. This protection applies to all actions relating to voting on
20 legislation and all other actions that “directly affect drafting, introducing, debating, passing or
21 rejecting legislation.” Baraka, 481 F.3d at 196. Furthermore, legislative immunity applies to all
22 such legislative actions, regardless of whether the plaintiff alleges that the actions are
23 unconstitutional. Bogan, 523 U.S. at 54-56; Consumers Union, 446 U.S. at 731-34; Tenney, 341
24 U.S. at 372-76. For example, in Consumers Union, the Court held that the members of the

1 Virginia Supreme Court were entitled to absolute legislative immunity for all actions taken by
2 them in their legislative capacity to adopt rules of professional conduct governing attorneys, even
3 though the particular rules being challenged were unconstitutional on their face. 446 U.S. at 731-
4 34. The Court held that the protection of legislative immunity extends to all claims for damages,
5 declaratory and injunctive relief and attorney's fees and costs. *Id.* at 731-39.

6 In the First Amended Complaint, Plaintiffs seek declaratory and injunctive relief against
7 Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall for legislative
8 actions taken in their official capacities in the passage and approval of SB 542 and SB 551. (*First*
9 *Am. Compl.* ¶¶ 16-19.) In their Reply and Opposition, Plaintiffs admit that Senator Cannizzaro,
10 Secretary Clift, Governor Sisolak and Lt. Governor Marshall were "named as Defendants for their
11 roles in relation to the passing of the bills in question." (*Pls' Reply & Opp'n* at 35.) Because
12 Plaintiffs' federal constitutional claims against Senator Cannizzaro, Secretary Clift, Governor
13 Sisolak and Lt. Governor Marshall are based entirely on legislative actions taken by them in their
14 official capacities in the passage and approval of SB 542 and SB 551, they are entitled to absolute
15 legislative immunity from declaratory and injunctive relief under section 1983 as a matter of law.
16 Indeed, this case presents the exact type of lawsuit that legislative immunity was intended to bar:

17 The purpose of this immunity is to insure that the legislative function may be
18 performed independently without fear of outside interference. To preserve legislative
19 independence, we have concluded that legislators engaged in the sphere of legitimate
legislative activity should be protected not only from the consequences of litigation's
results but also from the burden of defending themselves.

20 Consumers Union, 446 U.S. at 731-32 (internal quotations and citations omitted).

21 Finally, because Plaintiffs cannot, as a matter of law, obtain any relief against Senator
22 Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall under section 1983,
23 Plaintiffs also cannot recover any attorney's fees and costs under 42 U.S.C. § 1988 as a matter of
24 law because "liability on the merits and responsibility for fees go hand in hand; where a defendant

1 has not been prevailed against, either because of *legal immunity* or on the merits, § 1988 does not
2 authorize a fee award against that defendant.” Farrar v. Hobby, 506 U.S. 103, 109 (1992) (quoting
3 Kentucky v. Graham, 473 U.S. 159, 165 (1985) (emphasis added)).

4 **B. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.**
5 **Governor Marshall are entitled to judgment as a matter of law on Plaintiffs’ state**
6 **constitutional claims and claims for attorney’s fees and costs because they are not**
7 **necessary and proper party-defendants to this litigation as a matter of law given that:**
8 **(1) they do not have any connection with enforcement of the challenged legislation; and**
9 **(2) they are entitled to absolute legislative immunity as a matter of law for all actions**
10 **relating to the passage and approval of SB 542 and SB 551.**

11 In the First Amended Complaint, Plaintiffs bring their action for declaratory relief under the
12 Uniform Declaratory Judgments Act (Uniform Act) in NRS 30.010 to 30.160, inclusive. (*First*
13 *Am. Compl.* ¶ 73.) The Legislature has provided that the Uniform Act must be interpreted and
14 construed in order to effectuate its purpose to make the law uniform among the states which have
15 enacted the Uniform Act. NRS 30.160.

16 Under the Uniform Act, “[w]hen declaratory relief is sought, all persons shall be made
17 parties who have or claim any interest which would be affected by the declaration, and no
18 declaration shall prejudice the rights of persons not parties to the proceeding.” NRS 30.130. In
19 states that have enacted the Uniform Act, courts have held that in actions for declaratory relief
20 challenging the constitutionality of state statutes, a state officer is not a proper-party defendant
21 when “the duties of his office do not impose upon him any responsibilities for administering the
22 statutes.” Lucchesi v. State, 807 P.2d 1185, 1193 (Colo. App. 1990). Furthermore, such an
23 improperly named state officer is entitled to be removed from the case as a matter of law. Id. at
24 1193-94. The reason for this rule is that “in actions for declaratory and injunctive relief
challenging the constitutionality of state statutes, state officers with statewide administrative
functions under the challenged statute are the proper parties defendant.” Serrano v. Priest, 557
P.2d 929, 941-42 (Cal. 1976). Thus, in states that have enacted the Uniform Act, courts follow the

1 U.S. Supreme Court's rule in Ex parte Young that "[i]n making an officer of the state a party
2 defendant in a suit to enjoin the enforcement of an act alleged to be unconstitutional, it is plain that
3 such officer must have some connection with the enforcement of the act." 209 U.S. at 157.

4 In this case, because Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.
5 Governor Marshall do not occupy positions as state officers with statewide administrative
6 functions under the challenged provisions of SB 542 and SB 551, they are not necessary and
7 proper party-defendants to this litigation as a matter of law, and they are entitled to be removed
8 from this case as a matter of law. Therefore, Plaintiffs cannot, as a matter of law, bring their state
9 constitutional claims and claims for attorney's fees and costs against Senator Cannizzaro,
10 Secretary Clift, Governor Sisolak and Lt. Governor Marshall.

11 Moreover, Plaintiffs cannot, as a matter of law, bring their state constitutional claims and
12 claims for attorney's fees and costs against Senator Cannizzaro, Secretary Clift, Governor Sisolak
13 and Lt. Governor Marshall because they are entitled to absolute legislative immunity as a matter of
14 law for all actions relating to the passage and approval of SB 542 and SB 551. In their Reply and
15 Opposition, Plaintiffs wrongly argue that legislative immunity under Nevada law provides less
16 protection than legislative immunity under federal law. (*Pls' Reply & Opp'n at 31-33.*)

17 In enacting the legislative immunity statute in NRS 41.071, the Legislature expressly stated
18 that the statute was a codification of "the constitutional doctrines of separation of powers and
19 legislative privilege and immunity." NRS 41.071(1)(h). Furthermore, the Legislature also
20 expressly provided that in interpreting and applying legislative immunity in Nevada, the
21 interpretation and application given to the constitutional doctrines of separation of powers and
22 legislative immunity under federal law "must be considered to be persuasive authority." NRS
23 41.071(3). Finally, the Nevada Supreme Court has recognized that Nevada legislators enjoy
24 legislative immunity as a *state* constitutional right under the separation-of-powers provision of

1 Article 3, Section 1 of the Nevada Constitution. Guinn v. Legislature, 119 Nev. 460, 472 & n.28
2 (2003). In describing the source of this constitutional legislative immunity, the Court was
3 unmistakably clear: “Under the *separation of powers doctrine*, individual legislators cannot, nor
4 should they, be subject to fines or other penalties for *voting* in a particular way.” Id. (emphasis
5 added). In making this statement, the Court relied upon federal cases, including Consumers
6 Union, which reaffirmed the importance of constitutional legislative immunity to separation of
7 powers. Thus, contrary to Plaintiffs’ arguments, legislative immunity under Nevada law is
8 equivalent to legislative immunity under federal law.

9 Consistent with federal law, legislative immunity under Nevada law protects all “actions, in
10 any form, taken or performed within the sphere of legitimate legislative activity,” including all
11 “actions, in any form, taken or performed with regard to any legislative measure.” NRS
12 41.071(5). Such actions include:

13 conceiving, formulating, investigating, developing, requesting, drafting, introducing,
14 sponsoring, processing, reviewing, revising, amending, communicating, discussing,
15 debating, negotiating, allying, caucusing, meeting, considering, supporting,
advocating, approving, opposing, blocking, disapproving or voting in any form.

16 NRS 41.071(5)(a). Thus, like federal law, Nevada law protects all actions that are “integral steps
17 in the legislative process,” regardless of whether the plaintiff alleges that the actions are
18 unconstitutional. Bogan, 523 U.S. at 49.

19 In the First Amended Complaint, Plaintiffs seek declaratory and injunctive relief against
20 Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor Marshall for legislative
21 actions taken in their official capacities in the passage and approval of SB 542 and SB 551. (*First*
22 *Am. Compl.* ¶¶ 16-19.) In their Reply and Opposition, Plaintiffs admit that Senator Cannizzaro,
23 Secretary Clift, Governor Sisolak and Lt. Governor Marshall were “named as Defendants for their
24 roles in relation to the passing of the bills in question.” (*Pls’ Reply & Opp’n* at 35.) Because

1 Plaintiffs' state constitutional claims against Senator Cannizzaro, Secretary Clift, Governor
2 Sisolak and Lt. Governor Marshall are based entirely on legislative actions taken by them in their
3 official capacities in the passage and approval of SB 542 and SB 551, they are entitled to absolute
4 legislative immunity from declaratory and injunctive relief under Nevada law. As explained by
5 the Colorado courts when applying legislative immunity under state law:

6 Here, plaintiff's complaint is grounded upon the legislators' sponsorship and
7 consideration of, or their vote upon, legislation that pertained to ad valorem taxation.
8 Nothing could involve the legislative function more directly. Hence, the individual
9 legislators who were joined as party defendants in this litigation enjoyed an ***absolute***
10 ***immunity*** from suit based upon the actions complained of. The trial court properly
11 dismissed any claim that plaintiff attempted to state against them.

12 Lucchesi, 807 P.2d at 1189 (emphasis added and citations omitted).

13 **C. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.
14 Governor Marshall and Defendant-Intervenor Legislature are entitled to judgment as a
15 matter of law on Plaintiffs' claims for attorney's fees and costs because, under NRS
16 41.032, they are entitled to discretionary-function immunity as a matter of law for all
17 actions relating to the passage and approval of SB 542 and SB 551.**

18 Under NRS 41.032, which provides discretionary-function immunity, state agencies and
19 officers acting in their official capacities are immune from liability for any actions that are
20 "[b]ased upon the exercise or performance or the failure to exercise or perform a discretionary
21 function or duty . . . whether or not the discretion involved is abused." NRS 41.032(2).
22 Discretionary-function immunity protects state agencies and officers from liability for any actions
23 that involve an element of official discretion or judgment and are grounded in the formulation or
24 execution of social, economic or political policy. Martinez v. Maruszczak, 123 Nev. 433, 445-47
(2007); Scott v. Dep't of Commerce, 104 Nev. 580, 583-86 (1988). The protection afforded by
discretionary-function immunity bars claims for damages and claims for attorney's fees and costs.
County of Esmeralda v. Grogan, 94 Nev. 723, 725 (1978); Travelers Hotel v. City of Reno, 103
Nev. 343, 346 (1987).

1 Plaintiffs' state constitutional claims against Senator Cannizzaro, Secretary Clift, Governor
2 Sisolak and Lt. Governor Marshall are based entirely on legislative actions taken by them in their
3 official capacities in the passage and approval of SB 542 and SB 551. All those legislative actions
4 involve elements of official discretion or judgment and are grounded in the formulation or
5 execution of social, economic or political policy. Consequently, under NRS 41.032, Plaintiffs
6 cannot, as a matter of law, recover attorney's fees and costs against Senator Cannizzaro, Secretary
7 Clift, Governor Sisolak and Lt. Governor Marshall and the Legislature because they are entitled to
8 discretionary-function immunity as a matter of law for all actions relating to the passage and
9 approval of SB 542 and SB 551.

10 **D. Defendants Senator Cannizzaro and Secretary Clift and Defendant-Intervenor**
11 **Legislature are entitled to judgment as a matter of law on Plaintiffs' claims for attorney's**
12 **fees and costs because, under NRS 218F.720, the Legislature and its members, officers**
13 **and employees cannot be assessed or held liable in litigation for the attorney's fees or any**
14 **other fees, costs or expenses of any other parties.**

15 In determining whether a party is entitled to recover attorney's fees, "Nevada adheres to the
16 American Rule that attorney['s] fees may only be awarded when authorized by statute, rule, or
17 agreement." Pardee Homes of Nev. v. Wolfram, 135 Nev. 173, 177 (2019). The Nevada Supreme
18 Court has "recognized exceptions to this general rule; one such exception is for attorney['s] fees as
19 special damages." Id. However, when an award of attorney's fees to a party is prohibited by
20 statute or would otherwise conflict with a statutory scheme, the party cannot recover attorney's
21 fees as a matter of law. Zenor v. State Dep't of Transp., 134 Nev. 109, 110-11 (2018); City of N.
22 Las Vegas v. 5th & Centennial, LLC, No. 58530, 2014 WL 1226443, at *5-6 (Nev. Mar. 21, 2014)
(unpublished disposition), *clarified on denial of rehearing by* City of N. Las Vegas v. 5th &
Centennial, LLC, 130 Nev. 619 (2014).

23 In this case, NRS 218F.720 provides that in any action or proceeding before any court, the
24 Legislature cannot be assessed or held liable for "[t]he attorney's fees or any other fees, costs or

1 expenses of any other parties.” NRS 218F.720(1). In addition, NRS 218F.720 defines the term
2 “Legislature” to include any “agency, member, officer or employee of the Legislature, the
3 Legislative Counsel Bureau or the Legislative Department.” NRS 218F.720(6)(c). Thus, under
4 NRS 218F.720, Plaintiffs are prohibited, as a matter of law, from being awarded attorney’s fees or
5 any other fees, costs or expenses against the Legislature and its members, officers and employees.
6 Consequently, Senator Cannizzaro and Secretary Clift and the Legislature are entitled to judgment
7 as a matter of law on Plaintiffs’ claims for attorney’s fees and costs because, under NRS
8 218F.720, the Legislature and its members, officers and employees cannot be assessed or held
9 liable for the attorney’s fees or any other fees, costs or expenses of any other parties.

10 **E. Defendants Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt.**
11 **Governor Marshall are entitled to judgment as a matter of law on Plaintiffs’ claims for**
12 **attorney’s fees alleging bad faith conduct because: (1) Nevada’s Uniform Declaratory**
13 **Judgments Act does not authorize recovery of attorney’s fees in actions for declaratory**
14 **relief; and (2) courts cannot award attorney’s fees in actions for declaratory relief**
15 **alleging bad faith conduct without any allegations or evidence of fraud, malice or**
16 **wantonness.**

17 The Uniform Act provides that in actions for declaratory relief, “the court may make such
18 award of *costs* as may seem equitable and just.” NRS 30.120 (emphasis added). However, the
19 Uniform Act does not similarly authorize the court to award attorney’s fees in actions for
20 declaratory relief. In other states that have enacted the Uniform Act, courts have held that “[t]he
21 plain language of the [Uniform] Declaratory Judgment Act . . . ‘does not authorize a court to make
22 an award of attorney’s fees.’” Bd. of Sup’rs v. Windmill Meadows, LLC, 752 S.E.2d 837, 845
23 (Va. 2014) (quoting Russell Cnty. Dep’t of Soc. Servs. v. O’Quinn, 523 S.E.2d 492, 492-93 (Va.
24 2000)); see also Clark v. Exch. Ins. Ass’n, 161 So. 2d 817, 820 (Ala. 1964) (“The supplementary
relief provision of [the Uniform Act] is not authority for the allowance of attorney’s fees in
declaratory judgment action.”). By contrast, although Texas has enacted the Uniform Act, it has
revised the Uniform Act to provide that in actions for declaratory relief, “the court may award

1 costs and reasonable and necessary *attorney's fees* as are equitable and just." Tex. Civ. Prac. &
2 Rem. Code Ann. § 37.009 (emphasis added). In the absence of a similar provision in Nevada, the
3 Uniform Act does not authorize recovery of attorney's fees in actions for declaratory relief.

4 Even though the Uniform Act does not authorize recovery of attorney's fees in actions for
5 declaratory relief, the Nevada Supreme Court has determined that "actions for declaratory or
6 injunctive relief may involve claims for attorney[']s fees as damages when the actions were
7 necessitated by the opposing party's bad faith conduct." Sandy Valley Assocs. v. Sky Ranch
8 Estates Owners Ass'n, 117 Nev. 948, 958 (2001), *disapproved on other grounds by* Horgan v.
9 Felton, 123 Nev. 577 (2007), *and* Pardee Homes of Nev. v. Wolfram, 135 Nev. 173, 177 (2019).
10 However, the Nevada Supreme Court has also determined that attorney's fees cannot be recovered
11 as damages in actions for declaratory or injunctive relief alleging bad faith conduct without any
12 allegations or evidence of "fraud, malice or wantonness." City of Las Vegas v. Cragin Indus., 86
13 Nev. 933, 941 (1970), *disapproved on other grounds by* Sandy Valley Assocs. v. Sky Ranch
14 Estates Owners Ass'n, 117 Nev. 948 (2001); Bd. of Cnty. Comm'rs v. Cirac, 98 Nev. 57, 59-60
15 (1982), *disapproved on other grounds by* Martinez v. Maruszczak, 123 Nev. 433 (2007).

16 Thus, claims for attorney's fees as damages "must be pleaded as special damages in the
17 complaint pursuant to NRCP 9(g) and proved by competent evidence just as any other element of
18 damages." Sandy Valley Assocs., 117 Nev. at 956; Horgan v. Felton, 123 Nev. 577, 586 (2007).
19 The special pleading requirement is not met when the complaint alleges only the necessity for the
20 services of counsel and simply requests the recovery of attorney's fees and does not specially
21 plead fraud, malice or wantonness. Young v. Nev. Title Co., 103 Nev. 436, 442 (1987); Cirac, 98
22 Nev. at 59-60; Cragin Indus., 86 Nev. at 941. The evidence requirement is not met when the
23 plaintiff fails to present any competent evidence of fraud, malice or wantonness. Id.

24 In the First Amended Complaint, Plaintiffs alleged that they "have been required to engage

1 the services of counsel to pursue their rights and are entitled to reasonable attorney[’s] fees and
2 costs of suit.” (*First Am. Compl.* ¶¶ 67, 71, 79, 87.) Plaintiffs did not specially plead fraud,
3 malice or wantonness regarding their claims for attorney’s fees. In their Reply and Opposition,
4 Plaintiffs did not argue fraud, malice or wantonness regarding their claims for attorney’s fees.
5 (*Pls’ Reply & Opp’n at 39-40.*) Plaintiffs also did not submit any competent evidence of fraud,
6 malice or wantonness regarding their claims for attorney’s fees. The only evidence submitted by
7 Plaintiffs regarding their claims for attorney’s fees consists of Senator Settlemeyer’s affidavit in
8 which he states that “[p]rior to and since the filing of the above-captioned action, I and the other
9 Plaintiffs in this action have incurred and continue to incur attorney’s fees and costs in the pursuit
10 of our claims set forth in our Amended Complaint.” (*Aff. of Sen. Settlemeyer, Sept. 4, 2020, ¶ 4.*)

11 Accordingly, Senator Cannizzaro, Secretary Clift, Governor Sisolak and Lt. Governor
12 Marshall are entitled to judgment as a matter of law on Plaintiffs’ claims for attorney’s fees
13 alleging bad faith conduct because: (1) the Uniform Declaratory Judgments Act does not authorize
14 recovery of attorney’s fees in actions for declaratory relief; and (2) courts cannot award attorney’s
15 fees in actions for declaratory relief alleging bad faith conduct without any allegations or evidence
16 of fraud, malice or wantonness.

17 **F. All Defendants are entitled to judgment as a matter of law because the Legislature**
18 **could reasonably conclude that SB 542 and SB 551 were not subject to the two-thirds**
requirement.

19 **1. The Legislature could reasonably conclude that SB 542 and SB 551 did not**
20 **change—but maintained—the existing computation bases and legally operative rates**
currently in effect for the DMV technology fee and Modified Business Tax (MBT).

21 Plaintiffs argue that SB 542 and SB 551 changed the existing computation bases and legally
22 operative rates of the DMV technology fee and Modified Business Tax (MBT) because the bills
23 changed existing statutory provisions that—in *future* fiscal years—would have potentially expired
24 the DMV technology fee and potentially reduced the rates of the MBT. Their argument is not

1 consistent with well-established rules governing the operation of statutes.

2 To support their argument regarding the DMV technology fee, Plaintiffs contend that the
3 expiration clause for the DMV technology fee was already operative when the Legislature enacted
4 SB 542. However, by its very nature, an expiration clause cannot become operative sooner than
5 the potential future date of expiration set forth in the clause. Until that future date of expiration
6 arrives, the expiration clause remains dormant and inoperative, it cannot be applied to any
7 presently existing facts or circumstances and it does not confer any presently existing and
8 enforceable legal rights or benefits under its provisions. In other words, the expiration clause is
9 not legally operative and binding yet.

10 Therefore, when the Legislature passed SB 542 during the 2019 legislative session, the
11 potential future expiration of the DMV technology fee was not legally operative and binding yet
12 because it would not become legally operative and binding until completion of the State's future
13 fiscal year ending on June 30, 2020, which was the potential future date of expiration set forth in
14 the expiration clause. Thus, through the passage of SB 542, the Legislature amended the potential
15 future expiration of the DMV technology fee before that potential future expiration became legally
16 operative and binding. By doing so, SB 542 did not change—but maintained—the existing
17 computation base and legally operative rate currently in effect for the DMV technology fee.

18 Because SB 542 did not change—but maintained—the existing computation base and
19 legally operative rate currently in effect for the DMV technology fee, the existing source of
20 revenue collected by the Department of Motor Vehicles from the DMV technology fee was not
21 changed by the passage of SB 542. Instead, that existing source of revenue remained exactly the
22 same after the passage of SB 542. Accordingly, based on the Legislative Counsel's opinion
23 interpreting the two-thirds requirement, the Legislature could reasonably conclude that SB 542 did
24 not create, generate or increase any public revenue in any form because SB 542 did not change—

1 but maintained—the existing computation base and legally operative rate currently in effect for the
2 DMV technology fee.

3 Similarly, based on the Legislative Counsel's opinion interpreting the two-thirds
4 requirement, the Legislature could reasonably conclude that SB 551 did not create, generate or
5 increase any public revenue in any form because SB 551 did not change—but maintained—the
6 existing computation bases and legally operative rates currently in effect for the MBT. Under the
7 former rate adjustment procedure repealed by SB 551, any potential future reduced rates for the
8 MBT would not go into effect and become legally operative and binding until July 1 of the
9 following odd-numbered year, which was the beginning of the State's next fiscal year. NRS
10 360.203 (repealed effective June 12, 2019).¹

11 Even though the former rate adjustment procedure became effective on July 1, 2015, no
12 potential future reduced rates for the MBT had ever gone into effect and become legally operative
13 and binding under the former rate adjustment procedure when the Legislature passed SB 551
14 during the 2019 legislative session. As a result, when the Legislature passed SB 551 during the
15 2019 legislative session, the existing computation bases and legally operative rates currently in
16 effect for the MBT were set by NRS 363A.130 and 363B.110 at 2 percent and 1.475 percent,
17 respectively, and SB 551 did not change—but maintained—the existing computation bases and
18 legally operative rates set by NRS 363A.130 and 363B.110 for the MBT. Accordingly, based on
19 the Legislative Counsel's opinion interpreting the two-thirds requirement, the Legislature could
20 reasonably conclude that SB 551 did not create, generate or increase any public revenue in any
21 form because SB 551 did not change—but maintained—the existing computation bases and
22 legally operative rates currently in effect for the MBT.

23
24 ¹ NRS 360.203 (repealed effective June 12, 2019) is reproduced in the Addendum after the
Memorandum of Points and Authorities.

1 **2. Based on the Legislative Counsel's legal opinion interpreting the two-thirds**
2 **requirement, the Legislature could reasonably conclude that SB 542 and SB 551 were**
3 **not subject to the two-thirds requirement, and the Legislature is entitled to deference**
4 **in its counseled selection of this interpretation.**

5 Plaintiffs argue that the Legislative Counsel's legal opinion interpreting the two-thirds
6 requirement should not be given deference because the Legislative Counsel interpreted the two-
7 thirds requirement differently in the past without a corresponding change in the law to justify any
8 change in the prior legal position. To support their argument, Plaintiffs contend that, prior to
9 2019, the Legislative Counsel advised the Legislature that the two-thirds requirement applies to a
10 bill "extending a sunset provision or extending a tax or fee." (*Pls' Reply & Opp'n at 16.*) As
11 examples of the Legislative Counsel's prior legal position, Plaintiffs point to bills that were given
12 the two-thirds designation by the Legislative Counsel in prior legislative sessions, and they also
13 point to oral testimony provided by LCB Legal attorneys during committee proceedings in prior
14 legislative sessions. (*Pls' Reply & Opp'n at 16-17.*)

15 However, these examples of the Legislative Counsel's prior legal position do not include a
16 prior written legal opinion provided by the Legislative Counsel under NRS 218F.710 which
17 interpreted and applied the two-thirds requirement to *bills similar to SB 542 and SB 551* and
18 which included citation to authority and an explanation of the legal reasoning used to support the
19 legal opinion. Thus, on May 8, 2019, when the Legislative Counsel provided the written legal
20 opinion under NRS 218F.710 that is relevant to this case, the Legislative Counsel had not issued a
21 prior written legal opinion under NRS 218F.710 which interpreted and applied the two-thirds
22 requirement to *bills similar to SB 542 and SB 551* and which included citation to authority and an
23 explanation of the legal reasoning used to support the legal opinion. Thus, contrary to Plaintiffs'
24 arguments, when the Legislative Counsel provided the written legal opinion under NRS 218F.710
that is relevant to this case, that written legal opinion does not contradict any prior written legal

1 opinion provided by the Legislative Counsel under NRS 218F.710 which interpreted and applied
2 the two-thirds requirement to *bills similar to SB 542 and SB 551*.

3 Accordingly, in passing SB 542 and SB 551, the Legislature acted appropriately in relying
4 on the Legislative Counsel's written legal opinion under NRS 218F.710 interpreting the two-thirds
5 requirement. In doing so, "the Legislature acted on Legislative Counsel's opinion that this is a
6 reasonable construction of the provision . . . and the Legislature is entitled to deference in its
7 counseled selection of this interpretation." Nev. Mining Ass'n v. Erdoes, 117 Nev. 531, 540
8 (2001). Additionally, as thoroughly explained in the Legislative Defendants' Opposition to
9 Plaintiffs' Motion for Summary Judgment and their Counter-Motion for Summary Judgment,
10 based on contemporaneous extrinsic evidence of the purpose and intent of the two-thirds
11 requirement and cases from other states interpreting similar supermajority requirements, the
12 Legislature could reasonably conclude that SB 542 did not create, generate or increase any public
13 revenue in any form because SB 542 did not change—but maintained—the existing computation
14 base and legally operative rate currently in effect for the DMV technology fee. Likewise, the
15 Legislature could reasonably conclude that SB 551 did not create, generate or increase any public
16 revenue in any form because SB 551 did not change—but maintained—the existing computation
17 bases and legally operative rates currently in effect for the MBT. As a result, all Defendants are
18 entitled to judgment as a matter of law because the Legislature could reasonably conclude that
19 SB 542 and SB 551 were not subject to the two-thirds requirement.

20 II. Conclusion and requested relief.


21 Based upon the foregoing, Legislative Defendants request that this Court enter an order
22 which: (1) denies Plaintiffs' Motion for Summary Judgment; (2) grants Legislative Defendants'
23 Counter-Motion for Summary Judgment; and (3) grants a final judgment in favor of all
24 Defendants on all claims and prayers for relief directly or indirectly pled in Plaintiffs' First

1 Amended Complaint.

2 DATED: This 14th day of September, 2020.

3 Respectfully submitted,

4
5 By:



6 **KEVIN C. POWERS**

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15 *Majority Leader Nicole Cannizzaro and Secretary of the*
16 *Senate Claire Clift and Defendant-Intervenor Nevada*
17 *Legislature*

ADDENDUM

NRS 360.203 (repealed effective June 12, 2019)

NRS 360.203 Reduction of rate of certain taxes on business under certain circumstances; duties of Department.

1. Except as otherwise provided in subsection 4, on or before September 30 of each even-numbered year, the Department shall determine the combined revenue from the taxes imposed by chapters 363A and 363B of NRS and the commerce tax imposed by chapter 363C of NRS for the preceding fiscal year.

2. Except as otherwise provided in subsection 4, if the combined revenue determined pursuant to subsection 1 exceeds by more than 4 percent the amount of the combined anticipated revenue from those taxes for that fiscal year, as projected by the Economic Forum for that fiscal year pursuant to paragraph (e) of subsection 1 of NRS 353.228 and as adjusted by any legislation enacted by the Legislature that affects state revenue for that fiscal year, the Department shall determine the rate at which the taxes imposed pursuant to NRS 363A.130 and 363B.110, in combination with the revenue from the commerce tax imposed by chapter 363C of NRS, would have generated a combined revenue of 4 percent more than the amount anticipated. In making the determination required by this subsection, the Department shall reduce the rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 in the proportion that the actual amount collected from each tax for the preceding fiscal year bears to the total combined amount collected from both taxes for the preceding fiscal year.

3. Except as otherwise provided in subsection 4, effective on July 1 of the odd-numbered year immediately following the year in which the Department made the determination described in subsection 1, the rates of the taxes imposed pursuant to NRS 363A.130 and 363B.110 that are determined pursuant to subsection 2, rounded to the nearest one-thousandth of a percent, must thereafter be the rate of those taxes, unless further adjusted in a subsequent fiscal year.

4. If, pursuant to subsection 3, the rate of the tax imposed pursuant to NRS 363B.110 is 1.17 percent:

(a) The Department is no longer required to make the determinations required by subsections 1 and 2; and

(b) The rate of the taxes imposed pursuant to NRS 363A.130 and 363B.110 must not be further adjusted pursuant to subsection 3.

(Added to NRS by 2015, 2896)

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