

---

SENATE BILL NO. 220—SENATORS SEEVERS GANSERT, BUCK,  
STONE, TITUS, KRASNER; GOICOECHEA AND HANSEN

MARCH 6, 2023

---

JOINT SPONSORS: ASSEMBLYMEN HAFEN, O'NEILL, DICKMAN,  
DELONG, GRAY; GURR, HANSEN, HARDY, HIBBETTS,  
KASAMA, KOENIG, MCARTHUR AND YUREK

---

Referred to Committee on Education

SUMMARY—Revises provisions relating to the Nevada  
Educational Choice Scholarship Program.  
(BDR 34-99)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

---

AN ACT relating to education; revising provisions governing the eligibility of pupils for a grant under the Nevada Educational Choice Scholarship Program; establishing a minimum amount for a grant provided by a scholarship organization on behalf of a pupil; revising provisions governing the amount of credits the Department of Taxation is authorized to approve against the modified business tax for taxpayers who donate money to a scholarship organization; establishing a credit against the general tax on insurance premiums for insurers who donate money to a scholarship organization; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Under existing law, financial institutions, mining businesses and other  
2 employers are required to pay an excise tax (the modified business tax) on wages  
3 paid by them. (NRS 363A.130, 363B.110) Existing law also requires each insurer  
4 to pay to the Department of Taxation a tax upon net direct premiums and net direct  
5 considerations written at the rate of 3.5 percent (the general tax on insurance  
6 premiums). (NRS 680B.027) Existing law establishes a credit against the modified  
7 business tax for a taxpayer who makes a donation to a scholarship organization that



8 provides grants on behalf of pupils who are members of a household with a  
9 household income of not more than 300 percent of the federally designated level  
10 signifying poverty to allow those pupils to attend schools in this State, including  
11 private schools, chosen by the parents or legal guardians of those pupils. (NRS  
12 363A.139, 363B.119, 388D.270) Existing law authorizes the Department of  
13 Taxation to approve applications for such tax credits until the total amount of  
14 credits authorized for each fiscal year is \$6,655,000. (NRS 363A.139, 363B.119)

15 **Sections 3 and 4** of this bill increase the amount of tax credits that the  
16 Department of Taxation is authorized to approve to: (1) \$30,000,000 for Fiscal  
17 Year 2023-2024; and (2) for each succeeding fiscal year, 110 percent of the amount  
18 authorized for the immediately preceding fiscal year. **Section 2** of this bill removes  
19 the requirement for a scholarship organization to make grants on behalf of pupils  
20 who are members of a household that has a household income which is not more  
21 than 300 percent of the federally designated level signifying poverty and instead  
22 requires a scholarship organization to make grants on behalf of pupils: (1) on whose  
23 behalf a grant was awarded for the immediately preceding school year; (2) who are  
24 the sibling of a pupil on whose behalf a grant was awarded for the current or  
25 immediately preceding school year; (3) who are members of a household that has a  
26 household income which is not more than 400 percent of the federally designated  
27 level signifying poverty; (4) who have an individualized education program; (5)  
28 who have a parent or legal guardian who is on active duty in the Armed Forces of  
29 the United States; or (6) who have a parent or legal guardian who is a police officer  
30 or firefighter. **Section 2** establishes the order of priority in which a scholarship  
31 organization is required to award grants. **Section 2** requires each grant made by a  
32 scholarship organization to be not less than \$1,000.

33 **Sections 7 and 8** of this bill establish a credit against the general tax on  
34 insurance premiums for an insurer who makes a donation to a scholarship  
35 organization to be administered in the same manner as the credit against the  
36 modified business tax.

37 **Sections 1, 5 and 9-12** of this bill make conforming changes to indicate the  
38 proper placement of **sections 7 and 8** in the Nevada Revised Statutes.

---

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

1 **Section 1.** NRS 388D.250 is hereby amended to read as  
2 follows:

3 388D.250 NRS 363A.139, 363B.119 and 388D.250 to  
4 388D.280, inclusive, *and sections 7 and 8 of this act* may be cited  
5 as the Nevada Educational Choice Scholarship Program.

6 **Sec. 2.** NRS 388D.270 is hereby amended to read as follows:

7 388D.270 1. A scholarship organization must:

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

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

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



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

4 (e) Provide grants *which are not less than \$1,000* on behalf of  
5 pupils who ~~{are members of a household that has a household~~  
6 ~~income which is not more than 300 percent of the federally~~  
7 ~~designated level signifying poverty}~~ *meet one of the criteria set*  
8 *forth in subsection 7* to allow those pupils to attend schools in this  
9 State chosen by the parents or legal guardians of those pupils,  
10 including, without limitation, private schools. The total amount of a  
11 grant provided by the scholarship organization on behalf of a pupil  
12 pursuant to this paragraph must not exceed \$7,755 for Fiscal Year  
13 2015-2016.

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

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

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

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

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

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

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

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



1 for all such pupils if reporting is required by the regulations of the  
2 Department of Education.

3 6. The Department of Education:

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

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

9 7. *A scholarship organization shall award grants on behalf of*  
10 *pupils in the following order of priority:*

11 (a) *Pupils on whose behalf a grant was awarded for the*  
12 *immediately preceding school year.*

13 (b) *Pupils who are the sibling of a pupil on whose behalf a*  
14 *grant was awarded for the current school year or the immediately*  
15 *preceding school year.*

16 (c) *Pupils who are members of a household that has a*  
17 *household income which is not more than 400 percent of the*  
18 *federally designated level signifying poverty.*

19 (d) *Pupils who meet one of the following criteria, in the order*  
20 *in which a completed application for a grant was received on*  
21 *behalf of any such pupil:*

22 (1) *A pupil who has an individualized education program;*

23 (2) *A pupil who has a parent or legal guardian who is on*  
24 *active duty in the Armed Forces of the United States;*

25 (3) *A pupil who has a parent or legal guardian who is a*  
26 *peace officer; or*

27 (4) *A pupil who has a parent or legal guardian who is a*  
28 *firefighter.*

29 8. *Notwithstanding the provisions of subsection 7, a*  
30 *scholarship organization shall prioritize the award of a grant to a*  
31 *pupil described in subsection 7 and on whose behalf a completed*  
32 *application for a grant was received on or before the deadline for*  
33 *such applications over any pupil on whose behalf a completed*  
34 *application was not received until after the deadline for such*  
35 *applications.*

36 9. As used in this section [~~private~~]:

37 (a) *“Active duty” means full-time duty status in the active*  
38 *uniformed armed service of the United States, including members*  
39 *of the National Guard and Reserve on active duty orders pursuant*  
40 *to 10 U.S.C. §§ 1209 and 1211.*

41 (b) *“Firefighter” means a person who is a salaried employee*  
42 *of a fire-fighting agency and whose principal duties are to control,*  
43 *extinguish, prevent and suppress fires. As used in this paragraph,*  
44 *“fire-fighting agency” means a public fire department, fire*  
45 *protection district or other agency of this State or political*



1 *subdivision of this State, the primary functions of which are to*  
2 *control, extinguish, prevent and suppress fires.*

3 *(c) "Individualized education program" has the meaning*  
4 *ascribed to it in 20 U.S.C. § 1414(d)(1)(A).*

5 *(d) "Peace officer" has the meaning ascribed to it in*  
6 *NRS 289.010.*

7 *(e) "Private school" has the meaning ascribed to it in*  
8 *NRS 394.103.*

9 **Sec. 3.** NRS 363A.139 is hereby amended to read as follows:

10 363A.139 1. Any taxpayer who is required to pay a tax  
11 pursuant to NRS 363A.130 may receive a credit against the tax  
12 otherwise due for any donation of money made by the taxpayer to a  
13 scholarship organization in the manner provided by this section.

14 2. To receive the credit authorized by subsection 1, a taxpayer  
15 who intends to make a donation of money to a scholarship  
16 organization must, before making such a donation, notify the  
17 scholarship organization of the taxpayer's intent to make the  
18 donation and to seek the credit authorized by subsection 1. A  
19 scholarship organization shall, before accepting any such donation,  
20 apply to the Department of Taxation for approval of the credit  
21 authorized by subsection 1 for the donation. The Department of  
22 Taxation shall, within 20 days after receiving the application,  
23 approve or deny the application and provide to the scholarship  
24 organization notice of the decision and, if the application is  
25 approved, the amount of the credit authorized. Upon receipt of  
26 notice that the application has been approved, the scholarship  
27 organization shall provide notice of the approval to the taxpayer  
28 who must, not later than 30 days after receiving the notice, make the  
29 donation of money to the scholarship organization. If the taxpayer  
30 does not make the donation of money to the scholarship  
31 organization within 30 days after receiving the notice, the  
32 scholarship organization shall provide notice of the failure to  
33 the Department of Taxation and the taxpayer forfeits any claim to  
34 the credit authorized by subsection 1.

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

38 4. Except as otherwise provided in subsection 5, the  
39 Department of Taxation may, for each fiscal year, approve  
40 applications for the credit authorized by subsection 1 until the total  
41 amount of the credits authorized by subsection 1 and approved by  
42 the Department of Taxation pursuant to this subsection, ~~and~~  
43 subsection 4 of NRS 363B.119 *and subsection 4 of section 7 of this*  
44 *act is ~~[\$6,655,000.]~~;*

45 *(a) For Fiscal Year 2023-2024, \$30,000,000; and*



1       ***(b) For each succeeding fiscal year, an amount equal to 110***  
2       ***percent of the amount authorized for the immediately preceding***  
3       ***fiscal year.***

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

7       5. Except as otherwise provided in this subsection, in addition  
8       to the amount of credits authorized by subsection 4 for Fiscal Years  
9       2019-2020, 2020-2021 and 2021-2022, the Department of Taxation  
10       may approve applications for the credit authorized by subsection 1  
11       for each of those fiscal years until the total amount of the credits  
12       authorized by subsection 1 and approved by the Department of  
13       Taxation pursuant to this subsection and subsection 5 of NRS  
14       363B.119 is \$4,745,000. The provisions of subsection 4 do not  
15       apply to the amount of credits authorized by this subsection and the  
16       amount of credits authorized by this subsection must not be  
17       considered when determining the amount of credits authorized for a  
18       fiscal year pursuant to subsection 4. If, in Fiscal Year 2019-2020,  
19       2020-2021 or 2021-2022, the amount of credits authorized by  
20       subsection 1 and approved pursuant to this subsection and  
21       subsection 5 of NRS 363B.119 is less than \$4,745,000, the  
22       remaining amount of credits pursuant to this subsection and  
23       subsection 5 of NRS 363B.119 must be carried forward and made  
24       available for approval during subsequent fiscal years until the total  
25       amount of credits authorized by subsection 1 and approved pursuant  
26       to this subsection and subsection 5 of NRS 363B.119 is equal to  
27       \$14,235,000. The amount of any credit which is forfeited pursuant  
28       to subsection 2 must not be considered in calculating the amount of  
29       credits authorized pursuant to this subsection.

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

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



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

3 **Sec. 4.** NRS 363B.119 is hereby amended to read as follows:

4 363B.119 1. Any taxpayer who is required to pay a tax  
5 pursuant to NRS 363B.110 may receive a credit against the tax  
6 otherwise due for any donation of money made by the taxpayer to a  
7 scholarship organization in the manner provided by this section.

8 2. To receive the credit authorized by subsection 1, a taxpayer  
9 who intends to make a donation of money to a scholarship  
10 organization must, before making such a donation, notify the  
11 scholarship organization of the taxpayer’s intent to make the  
12 donation and to seek the credit authorized by subsection 1. A  
13 scholarship organization shall, before accepting any such donation,  
14 apply to the Department of Taxation for approval of the credit  
15 authorized by subsection 1 for the donation. The Department of  
16 Taxation shall, within 20 days after receiving the application,  
17 approve or deny the application and provide to the scholarship  
18 organization notice of the decision and, if the application is  
19 approved, the amount of the credit authorized. Upon receipt of  
20 notice that the application has been approved, the scholarship  
21 organization shall provide notice of the approval to the taxpayer  
22 who must, not later than 30 days after receiving the notice, make the  
23 donation of money to the scholarship organization. If the taxpayer  
24 does not make the donation of money to the scholarship  
25 organization within 30 days after receiving the notice, the  
26 scholarship organization shall provide notice of the failure to  
27 the Department of Taxation and the taxpayer forfeits any claim to  
28 the credit authorized by subsection 1.

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

32 4. Except as otherwise provided in subsection 5, the  
33 Department of Taxation may, for each fiscal year, approve  
34 applications for the credit authorized by subsection 1 until the total  
35 amount of the credits authorized by subsection 1 and approved by  
36 the Department of Taxation pursuant to this subsection, ~~and~~  
37 subsection 4 of NRS 363A.139 *and subsection 4 of section 7 of this*  
38 *act is ~~[\$6,655,000.]~~:*

39 *(a) For Fiscal Year 2023-2024, \$30,000,000; and*

40 *(b) For each succeeding fiscal year, an amount equal to 110*  
41 *percent of the amount authorized for the immediately preceding*  
42 *fiscal year.*

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



1 5. In addition to the amount of credits authorized by subsection  
2 4 for Fiscal Years 2019-2020, 2020-2021 and 2021-2022, the  
3 Department of Taxation may approve applications for the credit  
4 authorized by subsection 1 for each of those fiscal years until the  
5 total amount of the credits authorized by subsection 1 and approved  
6 by the Department of Taxation pursuant to this subsection and  
7 subsection 5 of NRS 363A.139 is \$4,745,000. The provisions of  
8 subsection 4 do not apply to the amount of credits authorized by  
9 this subsection and the amount of credits authorized by this  
10 subsection must not be considered when determining the amount of  
11 credits authorized for a fiscal year pursuant to subsection 4. If, in  
12 Fiscal Year 2019-2020, 2020-2021 or 2021-2022, the amount of  
13 credits authorized by subsection 1 and approved pursuant to this  
14 subsection and subsection 5 of NRS 363A.139 is less than  
15 \$4,745,000, the remaining amount of credits pursuant to this  
16 subsection and subsection 5 of NRS 363A.139 must be carried  
17 forward and made available for approval during subsequent fiscal  
18 years until the total amount of credits authorized by subsection 1  
19 and approved pursuant to this subsection and subsection 5 of NRS  
20 363A.139 is equal to \$14,235,000. The amount of any credit which  
21 is forfeited pursuant to subsection 2 must not be considered in  
22 calculating the amount of credits authorized pursuant to this  
23 subsection.

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

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

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

41 **Sec. 5.** NRS 679A.160 is hereby amended to read as follows:

42 679A.160 Except as otherwise provided by specific statute, no  
43 provision of this Code applies to:

44 1. Fraternal benefit societies, as identified in chapter 695A of  
45 NRS, except as stated in chapter 695A of NRS.





1 2. Hospital, medical or dental service corporations, as  
2 identified in chapter 695B of NRS, except as stated in chapter 695B  
3 of NRS.

4 3. Motor clubs, as identified in chapter 696A of NRS, except as  
5 stated in chapter 696A of NRS.

6 4. Bail agents, as identified in chapter 697 of NRS, except as  
7 stated in NRS 680B.025 to 680B.039, inclusive, *and sections 7 and*  
8 *8 of this act* and chapter 697 of NRS.

9 5. Risk retention groups, as identified in chapter 695E of NRS,  
10 except as stated in chapter 695E of NRS.

11 6. Captive insurers, as identified in chapter 694C of NRS, with  
12 respect to their activities as captive insurers, except as stated in  
13 chapter 694C of NRS.

14 7. Health and welfare plans arising out of collective bargaining  
15 under chapter 288 of NRS, except that the Commissioner may  
16 review the plan to ensure that the benefits are reasonable in relation  
17 to the premiums and that the fund is financially sound.

18 8. Programs established pursuant to subsection 1 of NRS  
19 315.725 and the entities administering those programs, except as  
20 stated in NRS 315.725.

21 **Sec. 6.** Chapter 680B of NRS is hereby amended by adding  
22 thereto the provisions set forth as sections 7 and 8 of this act.

23 **Sec. 7. 1.** *Any taxpayer who is required to pay tax pursuant*  
24 *to NRS 680B.027 may receive a credit against the tax otherwise*  
25 *due for any donation of money made by the taxpayer to a*  
26 *scholarship organization in the manner provided by this section.*

27 *2. To receive the credit authorized by subsection 1, a taxpayer*  
28 *who intends to make a donation of money to a scholarship*  
29 *organization must, before making such a donation, notify the*  
30 *scholarship organization of the taxpayer's intent to make the*  
31 *donation and to seek the credit authorized by subsection 1. A*  
32 *scholarship organization shall, before accepting any such*  
33 *donation, apply to the Department of Taxation for approval of the*  
34 *credit authorized by subsection 1 for the donation. The*  
35 *Department of Taxation shall, within 20 days after receiving*  
36 *the application, approve or deny the application and provide to the*  
37 *scholarship organization notice of the decision and, if the*  
38 *application is approved, the amount of the credit authorized. Upon*  
39 *receipt of notice that the application has been approved, the*  
40 *scholarship organization shall provide notice of the approval to*  
41 *the taxpayer who must, not later than 30 days after receiving the*  
42 *notice, make the donation of money to the scholarship*  
43 *organization. If the taxpayer does not make the donation of money*  
44 *to the scholarship organization within 30 days after receiving the*  
45 *notice, the scholarship organization shall provide notice of the*



1 *failure to the Department of Taxation and the taxpayer forfeits*  
2 *any claim to the credit authorized by subsection 1.*

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

6 4. *The Department of Taxation may, for each fiscal year,*  
7 *approve applications for the credit authorized by subsection 1 until*  
8 *the amount of the credits authorized by subsection 1 and approved*  
9 *by the Department of Taxation pursuant to this subsection,*  
10 *subsection 4 of NRS 363A.139 and subsection 4 of 363B.119 is:*

11 (a) *For Fiscal Year 2023-2024, \$30,000,000; and*

12 (b) *For each succeeding fiscal year, an amount equal to 110*  
13 *percent of the amount authorized for the immediately preceding*  
14 *fiscal year.*

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

18 5. *If a taxpayer applies to and is approved by the Department*  
19 *of Taxation for the credit authorized by subsection 1, the amount*  
20 *of the credit provided by this section is equal to the amount*  
21 *approved by the Department of Taxation pursuant to subsection 2,*  
22 *which must not exceed the amount of the donation made by the*  
23 *taxpayer to the scholarship organization. The total amount of the*  
24 *credit applied against the taxes described in subsection 1 and*  
25 *otherwise due from a taxpayer must not exceed the amount of the*  
26 *donation.*

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

34 7. *As used in this section:*

35 (a) *“Scholarship organization” has the meaning ascribed to it*  
36 *in NRS 388D.260.*

37 (b) *“Taxpayer” means any person liable for a tax imposed by*  
38 *this chapter.*

39 **Sec. 8. 1.** *An insurer who makes a donation of money to a*  
40 *scholarship organization during the calendar quarter for which a*  
41 *report is filed pursuant to NRS 680B.032 or during a calendar*  
42 *year in which a report is filed pursuant to NRS 680B.030 is*  
43 *entitled, in accordance with section 7 of this act, to a credit equal*  
44 *to the amount authorized pursuant to section 7 of this act against*  
45 *any tax otherwise due pursuant to NRS 680B.027.*



1 **2. As used in this section, “scholarship organization” has the**  
2 **meaning ascribed to it in NRS 388D.260.**

3 **Sec. 9.** NRS 680B.025 is hereby amended to read as follows:  
4 680B.025 For the purposes of NRS 680B.025 to 680B.039,  
5 inclusive **[H]**, **and sections 7 and 8 of this act:**

6 1. “Total income derived from direct premiums written”:

7 (a) Does not include premiums written or considerations  
8 received from life insurance policies or annuity contracts issued in  
9 connection with the funding of a pension, annuity or profit-sharing  
10 plan qualified or exempt pursuant to sections 401, 403, 404, 408,  
11 457 or 501 of the United States Internal Revenue Code as  
12 renumbered from time to time.

13 (b) Does not include payments received by an insurer from the  
14 Secretary of Health and Human Services pursuant to a contract  
15 entered into pursuant to section 1876 of the Social Security Act, 42  
16 U.S.C. § 1395mm.

17 (c) As to title insurance, consists of the total amount charged by  
18 the company for the sale of policies of title insurance.

19 2. Money accepted by a life insurer pursuant to an agreement  
20 which provides for an accumulation of money to purchase annuities  
21 at future dates may be considered as “total income derived from  
22 direct premiums written” either upon receipt or upon the actual  
23 application of the money to the purchase of annuities, but any  
24 interest credited to money accumulated while under the latter  
25 alternative must also be included in “total income derived from  
26 direct premiums written,” and any money taxed upon receipt,  
27 including any interest later credited thereto, is not subject to taxation  
28 upon the purchase of annuities. Each life insurer shall signify on its  
29 return covering premiums for the calendar year 1971 or for the first  
30 calendar year it transacts business in this State, whichever is later,  
31 its election between those two alternatives. Thereafter an insurer  
32 shall not change his or her election without the consent of the  
33 Commissioner. Any such money taxed as “total income derived  
34 from direct premiums written” is, in the event of withdrawal of the  
35 money before its actual application to the purchase of annuities,  
36 eligible to be included as “return premiums” pursuant to the  
37 provisions of NRS 680B.030.

38 **Sec. 10.** NRS 680B.0395 is hereby amended to read as  
39 follows:

40 680B.0395 An insurer who holds a certificate of authority as a  
41 reinsurer is exempt from the requirements of NRS 680B.025 to  
42 680B.039, inclusive **[H]**, **and sections 7 and 8 of this act.**

43 **Sec. 11.** NRS 695B.320 is hereby amended to read as follows:  
44 695B.320 1. Nonprofit hospital and medical or dental service  
45 corporations are subject to the provisions of this chapter, and to the



1 provisions of chapters 679A and 679B of NRS, subsections 2, 4, 18,  
2 19 and 31 of NRS 680B.010, NRS 680B.025 to 680B.060,  
3 inclusive, *and sections 7 and 8 of this act*, chapter 681B of NRS,  
4 NRS 686A.010 to 686A.315, inclusive, 686B.010 to 686B.175,  
5 inclusive, 687B.010 to 687B.040, inclusive, 687B.070 to  
6 687B.140, inclusive, 687B.150, 687B.160, 687B.180, 687B.200 to  
7 687B.255, inclusive, 687B.270, 687B.310 to 687B.380, inclusive,  
8 687B.410, 687B.420, 687B.430, 687B.500 and chapters 692B,  
9 692C, 693A and 696B of NRS, to the extent applicable and not in  
10 conflict with the express provisions of this chapter.

11 2. For the purposes of this section and the provisions set forth  
12 in subsection 1, a nonprofit hospital and medical or dental service  
13 corporation is included in the meaning of the term “insurer.”

14 **Sec. 12.** NRS 695F.090 is hereby amended to read as follows:

15 695F.090 1. Prepaid limited health service organizations are  
16 subject to the provisions of this chapter and to the following  
17 provisions, to the extent reasonably applicable:

18 (a) NRS 686B.010 to 686B.175, inclusive, concerning rates and  
19 essential insurance.

20 (b) NRS 687B.310 to 687B.420, inclusive, concerning  
21 cancellation and nonrenewal of policies.

22 (c) NRS 687B.122 to 687B.128, inclusive, concerning  
23 readability of policies.

24 (d) The requirements of NRS 679B.152.

25 (e) The fees imposed pursuant to NRS 449.465.

26 (f) NRS 686A.010 to 686A.310, inclusive, concerning trade  
27 practices and frauds.

28 (g) The assessment imposed pursuant to NRS 679B.700.

29 (h) Chapter 683A of NRS.

30 (i) To the extent applicable, the provisions of NRS 689B.340 to  
31 689B.580, inclusive, and chapter 689C of NRS relating to the  
32 portability and availability of health insurance.

33 (j) NRS 689A.035, 689A.0463, 689A.410, 689A.413 and  
34 689A.415.

35 (k) NRS 680B.025 to 680B.060, inclusive, *and sections 7 and 8*  
36 *of this act* concerning premium tax, premium tax rate, annual report  
37 and estimated quarterly tax payments. For the purposes of this  
38 paragraph, unless the context otherwise requires that a section apply  
39 only to insurers, any reference in those sections to “insurer” must be  
40 replaced by a reference to “prepaid limited health service  
41 organization.”

42 (l) Chapter 692C of NRS, concerning holding companies.

43 (m) NRS 689A.637, concerning health centers.

44 (n) Chapter 681B of NRS, concerning assets and liabilities.



1 (o) NRS 682A.400 to 682A.468, inclusive, concerning  
2 investments.

3 2. For the purposes of this section and the provisions set forth  
4 in subsection 1, a prepaid limited health service organization is  
5 included in the meaning of the term "insurer."

6 **Sec. 13.** 1. This section becomes effective upon passage and  
7 approval.

8 2. Sections 1 to 12, inclusive, of this act become effective:

9 (a) Upon passage and approval for the purpose of adopting any  
10 regulations and performing any other preparatory administrative  
11 tasks that are necessary to carry out the provisions of this act; and

12 (b) On July 1, 2023, for all other purposes.







