
SENATE BILL NO. 405—COMMITTEE ON FINANCE

(ON BEHALF OF THE OFFICE OF FINANCE
IN THE OFFICE OF THE GOVERNOR)

MARCH 30, 2021

Referred to Committee on Growth and Infrastructure

SUMMARY—Revises provisions relating to the annual assessment levied to support the Public Utilities Commission of Nevada and the Consumer’s Advocate of the Bureau of Consumer Protection. (BDR 58-1087)

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

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

AN ACT relating to public utilities; revising provisions relating to the annual assessment levied to support the Public Utilities Commission of Nevada and the Consumer’s Advocate of the Bureau of Consumer Protection; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, the Public Utilities Commission of Nevada levies and
2 collects an annual assessment from all public utilities, providers of new electric
3 resources, providers of discretionary natural gas service and alternative sellers
4 subject to the jurisdiction of the Commission. The annual assessment, which is
5 levied in mills and based on each dollar of gross operating revenue derived from
6 the intrastate operation of such utilities, is limited to 3.50 mills for the use of the
7 Commission and 0.75 mills for the use of the Consumer’s Advocate of the Bureau
8 of Consumer Protection. (NRS 704.033) This bill eliminates the maximum number
9 of mills that may be levied against such utilities and requires instead that the
10 assessment must be sufficient to fund: (1) the authorized budget of the Commission
11 and an appropriate reserve; and (2) the authorized budget of the Consumer’s
12 Advocate to exercise his or her powers and perform his or her duties that are
13 directly related to the protection of customers of public utilities.



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

1 **Section 1.** NRS 704.033 is hereby amended to read as follows:

2 704.033 1. Except as otherwise provided in subsection 6, the
3 Commission shall levy and collect an annual assessment from all
4 public utilities, providers of new electric resources, providers of
5 discretionary natural gas service and alternative sellers subject to the
6 jurisdiction of the Commission.

7 2. Except as otherwise provided in subsections 3 and 4, the
8 annual assessment must be ~~[]~~ *calculated and levied in mills based*
9 *on each dollar of gross operating revenue derived from the*
10 *intrastate operations of such utilities, providers of new electric*
11 *resources, providers of discretionary natural gas service and*
12 *alternative sellers in this State and must be:*

13 (a) For the use of the Commission, ~~[not more than 3.50 mills;~~
14 ~~and] sufficient to fund the authorized budget of the Commission~~
15 ~~and an appropriate reserve as determined based upon the past and~~
16 ~~projected operating experience of the Commission.~~

17 (b) For the use of the Consumer's Advocate, ~~[not more than~~
18 ~~0.75 mills;~~
19 ~~↪ on each dollar of gross operating revenue derived from the~~
20 ~~intrastate operations of such utilities, providers of new electric~~
21 ~~resources, providers of discretionary natural gas service and~~
22 ~~alternative sellers in the State of Nevada. The total annual~~
23 ~~assessment must be not more than 4.25 mills.] sufficient to fund the~~
24 ~~authorized budget of the Consumer's Advocate to exercise his or~~
25 ~~her powers and perform his or her duties pursuant to NRS~~
26 ~~228.360 and otherwise engage in activities directly related to the~~
27 ~~protection of customers of public utilities.~~

28 3. The levy for the use of the Consumer's Advocate must not
29 be assessed against railroads.

30 4. The minimum assessment in any 1 year must be \$100.

31 5. The gross operating revenue of the utilities must be
32 determined for the preceding calendar year. In the case of:

33 (a) Telecommunication providers, except as provided in
34 paragraph (c), the revenue shall be deemed to be all intrastate
35 revenues.

36 (b) Railroads, the revenue shall be deemed to be the revenue
37 received only from freight and passenger intrastate movements.

38 (c) All public utilities, providers of new electric resources,
39 providers of discretionary natural gas service and alternative sellers,
40 the revenue does not include the proceeds of any commodity, energy
41 or service furnished to another public utility, provider of new



1 electric resources, provider of discretionary natural gas service or
2 alternative seller for resale.

3 6. Providers of commercial mobile radio service are not subject
4 to the annual assessment and, in lieu thereof, shall pay to the
5 Commission an annual licensing fee of \$200.

6 7. "Provider of new electric resources" has the meaning
7 ascribed to it in NRS 704B.130.

8 **Sec. 2.** Notwithstanding the provisions of NRS 218D.430 and
9 218D.435, a committee, other than the Assembly Standing
10 Committee on Ways and Means and the Senate Standing Committee
11 on Finance, may vote on this act before the expiration of the period
12 prescribed for the return of a fiscal note in NRS 218D.475. This
13 section applies retroactively from and after March 22, 2021.

14 **Sec. 3.** This act becomes effective on July 1, 2021.

