

SENATE BILL NO. 556—SENATOR RATTI

JUNE 1, 2019

Referred to Committee on Revenue and  
Economic Development

**SUMMARY**—Allows certain counties and cities to seek voter approval for the imposition of a property tax to employ additional police officers and firefighters based on voter approval. (BDR S-1288)

**FISCAL NOTE:** Effect on Local Government: May have Fiscal Impact.  
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 taxation; authorizing certain boards of county commissioners to recommend the imposition of a property tax to employ and equip additional sheriff’s deputies for the sheriff’s office or firefighters for the county fire department, or both; authorizing the governing body of certain incorporated cities to recommend the imposition of a property tax to employ and equip additional police officers or firefighters, or both; providing that a board of county commissioners or the governing body of an incorporated city is authorized to submit a question to the voters at the 2020 General Election asking whether the recommended property tax should be imposed; requiring the imposition of such a property tax that is approved by the voters; providing for the use of the proceeds of such taxes for certain purposes; providing for the expiration of the authority of a board of county commissioners and a governing body of certain incorporated cities to recommend the imposition of such taxes; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1     **Sections 1 and 3** of this bill authorize the board of county commissioners of a  
2 county whose population is less than 700,000 (currently all counties other than



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3 Clark County) to recommend the imposition of a property tax at a rate not to exceed  
4 5 cents for each \$100 of valuation for consideration by the voters at the 2020  
5 General Election to employ and equip additional sheriff's deputies for the sheriff's  
6 office or additional firefighters for the county fire department, or both. **Sections 5**  
7 **and 7** of this bill authorize the governing body of an incorporated city located in a  
8 county whose population is less than 700,000 (currently all counties other than  
9 Clark County) to recommend the imposition of a property tax at a rate not to exceed  
10 5 cents for each \$100 of assessed valuation for consideration by the voters at the  
11 2020 General Election to employ and equip additional police officers or  
12 firefighters, or both, for the incorporated city.

13 Under **sections 2 and 6** of this bill, a board of county commissioners or  
14 governing body of an incorporated city which develops such a recommendation is  
15 authorized to submit a question to the voters at the General Election on November  
16 3, 2020, asking whether the recommended property tax should be imposed.  
17 **Sections 3 and 7** of this bill provide that if a majority of the voters approve the  
18 question, the board of county commissioners or the governing body of the  
19 incorporated city, as applicable, is required to impose the approved property tax at  
20 the rate specified in the question submitted to the voters, which rate must not  
21 exceed 5 cents for each \$100 of assessed valuation. **Sections 2 and 6** provide that if  
22 a majority of the voters approve the imposition of an additional property tax, the  
23 additional rate is exempt from the partial abatement of property taxes and the  
24 requirement that taxes ad valorem not exceed \$3.64 on each \$100 of assessed  
25 valuation.

26 **Section 4** of this bill requires the proceeds of a tax imposed pursuant to **section**  
27 **3** by a board of county commissioners to be used only to employ and equip  
28 additional sheriff's deputies for the sheriff's office or firefighters for the county fire  
29 department, or both additional such sheriff's deputies and firefighters. **Section 8** of  
30 this bill requires the proceeds of a tax imposed pursuant to **section 7** of this bill by  
31 the governing body of an incorporated city to be used only to employ and equip  
32 additional police officers for the city police department or additional firefighters for  
33 the city fire department, or both additional such police officers and firefighters.

34 **Section 9** of this bill requires each board of county commissioners and each  
35 governing body of an incorporated city that approves expenditures of the proceeds  
36 of a tax imposed pursuant to this act to submit quarterly reports containing certain  
37 information regarding the use of the proceeds of the tax to the Department of  
38 Taxation. **Section 9** further requires the Department to provide a copy of each such  
39 report to the Director of the Legislative Counsel Bureau for transmission to the  
40 Interim Finance Committee or the Legislature. **Section 10** of this bill provides that  
41 the requirement to submit to the Director of the Legislative Counsel Bureau a copy  
42 of the reports required by **section 9** of this bill do not expire automatically 5 years  
43 after the effective date of this bill.

44 **Section 12** of this bill provides that the provisions of this bill authorizing  
45 certain boards of county commissioners and the governing bodies of certain  
46 incorporated cities to make recommendations for the imposition of a property tax  
47 for consideration by the voters expire by limitation on November 1, 2020.

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

1 **Section 1.** 1. The board of county commissioners of a  
2 county whose population is less than 700,000 may hold a public  
3 hearing to consider whether to recommend the imposition of the tax



1 described in section 3 of this act for consideration by the voters at  
2 the 2020 General Election to employ and equip:

3 (a) Additional sheriff's deputies for the sheriff's office of the  
4 county;

5 (b) Additional firefighters for the fire department serving the  
6 areas of the county in which the county is responsible for providing  
7 fire protection service; or

8 (c) Both additional sheriff's deputies for the sheriff's office of  
9 the county and additional firefighters for the fire department serving  
10 the areas of the county in which the county is responsible for  
11 providing fire service.

12 2. At the public hearing held pursuant to subsection 1, the  
13 board of county commissioners shall:

14 (a) Determine the per capita amount of money approved for  
15 expenditure for the current fiscal year by the board of county  
16 commissioners for law enforcement service in the county and the  
17 per capita amount of money approved for expenditure for  
18 the current fiscal year for fire protection service in the areas of the  
19 county in which the county is responsible for providing such  
20 service.

21 (b) Consider the needs for law enforcement service in the county  
22 and for fire protection service in the areas of the county in which the  
23 county is responsible for providing such service, including, without  
24 limitation, whether such needs can be met by employing and  
25 equipping additional sheriff's deputies or firefighters, or both, and,  
26 if so, the number of additional sheriff's deputies or firefighters, or  
27 both, necessary to meet the needs for law enforcement service in the  
28 county and fire protection service in the areas of the county in which  
29 the county is responsible for providing such service.

30 (c) Consider whether to recommend:

31 (1) The creation of a taxing district consisting of the areas of  
32 the county outside of the boundaries of an incorporated city that  
33 provides its own police protection and the imposition of the tax  
34 described in section 3 of this act in the taxing district for the purpose  
35 of employing and equipping additional sheriff's deputies for the  
36 sheriff's office of the county;

37 (2) The creation of a taxing district consisting of the areas of  
38 the county in which the county is responsible for providing fire  
39 protection service and the imposition of the tax described in section  
40 3 of this act in the taxing district for the purpose of employing and  
41 equipping additional firefighters for the fire department serving the  
42 areas of the county in which the county is responsible for providing  
43 fire protection service; or

44 (3) The creation of a taxing district consisting of both the  
45 areas of the county in which the county is responsible for providing



1 fire protection service and the areas of the county outside of the  
2 boundaries of an incorporated city that provides its own police  
3 protection and the imposition of the tax described in section 3 of this  
4 act in the taxing district for the purpose of employing and equipping  
5 additional firefighters for the fire department serving the areas of the  
6 county in which the county is responsible for providing fire  
7 protection service and additional sheriff's deputies for the sheriff's  
8 office of the county.

9 **Sec. 2.** 1. If, after a public hearing held pursuant to section 1  
10 of this act, the board of county commissioners makes the  
11 determination to recommend the creation of a taxing district  
12 described in paragraph (c) of subsection 2 of section 1 of this act  
13 and the imposition of the tax described in section 3 of this act in that  
14 taxing district, the board of county commissioners may, by a  
15 resolution adopted at a meeting occurring on a different day than the  
16 public hearing held pursuant to section 1 of this act, submit a  
17 question to the voters of the proposed taxing district at the General  
18 Election held on November 3, 2020, which asks whether the  
19 recommended taxing district should be created and the  
20 recommended tax should be imposed in the taxing district. Before  
21 adopting such a resolution, the board of county commissioners must  
22 hold a public hearing, whether at the meeting at which the resolution  
23 is adopted or at a separate meeting, to present its plan for  
24 implementing the recommended tax.

25 2. The question submitted to the voters of the proposed taxing  
26 district must specify the proposed rate of the recommended tax,  
27 which must not exceed 5 cents on each \$100 of assessed valuation  
28 of taxable property within the proposed taxing district, the period  
29 during which the recommended tax will be imposed, that the  
30 recommended tax is exempt from each partial abatement provided  
31 pursuant to NRS 361.4722, 361.4723 and 361.4724 and that the  
32 provisions of NRS 361.453 do not apply to the recommended tax.  
33 The explanation of the question submitted to the voters of the  
34 proposed taxing district must state the amount by which the tax  
35 imposed on the assessed valuation of a single family residence  
36 having the median taxable value in the proposed taxing district will  
37 be increased if the question is approved by the voters.

38 3. If a majority of the voters voting on the question submitted  
39 to the voters pursuant to subsection 1 vote affirmatively on the  
40 question:

41 (a) The board of county commissioners, as applicable, shall  
42 create the proposed taxing district and impose the recommended tax  
43 in the taxing district at the rate and for the period specified in the  
44 question submitted to the voters pursuant to subsection 1.



1 (b) The tax imposed is exempt from each partial abatement from  
2 taxation provided pursuant to NRS 361.4722, 361.4723 and  
3 361.4724.

4 (c) The provisions of NRS 361.453 do not apply to the tax  
5 imposed.

6 (d) The tax shall be imposed notwithstanding the provisions of  
7 any specific statute to the contrary and, except as otherwise  
8 specifically provided in this section and sections 1 and 4 of this act,  
9 the tax is not subject to any limitations set forth in any statute which  
10 authorizes the board of county commissioners to impose such tax or  
11 taxes, including, without limitation, any limitations on the  
12 maximum rate or rates which may be imposed or the duration of the  
13 period during which such taxes may be imposed.

14 **Sec. 3.** Upon approval of the registered voters voting on a  
15 question presented to the voters pursuant to section 2 of this act  
16 recommending the creation of a taxing district described in  
17 paragraph (c) of subsection 2 of section 1 of this act and the  
18 imposition of a tax on the assessed valuation of taxable property  
19 within that taxing district, the board of county commissioners of the  
20 county in which the question was approved shall, in addition to any  
21 tax levied on the assessed valuation of taxable property in the taxing  
22 district, levy a tax on the assessed valuation of taxable property  
23 within the taxing district at the rate specified in the question  
24 presented to the voters pursuant to section 2 of this act, which rate  
25 must not exceed 5 cents on each \$100 of assessed valuation of  
26 taxable property within the taxing district.

27 **Sec. 4.** 1. The proceeds of any tax imposed pursuant to  
28 section 3 of this act:

29 (a) Must be accounted for separately in the county general fund.  
30 Any interest earned on money in the account, after deducting any  
31 applicable charges, must be credited to the account. Money that  
32 remains in the account at the end of a fiscal year does not revert to  
33 the county general fund and the balance in the account must be  
34 carried forward to the next fiscal year. The money in the account  
35 must be used only in accordance with this section.

36 (b) Must be used:

37 (1) If collected from a taxing district described in  
38 subparagraph (1) of paragraph (c) of subsection 2 of section 1 of this  
39 act, to employ and equip additional sheriff's deputies for the  
40 sheriff's office of the county;

41 (2) If collected from a taxing district described in  
42 subparagraph (2) of paragraph (c) of subsection 2 of section 1 of this  
43 act, to employ and equip additional firefighters for the county fire  
44 department; or



1 (3) If collected from a taxing district described in  
2 subparagraph (3) of paragraph (c) of subsection 2 of section 1 of this  
3 act:

4 (I) To the extent the proceeds were collected from the  
5 areas of the taxing district for which the sheriff's office of the  
6 county provides law enforcement service but for which the county is  
7 not responsible for providing fire protection service, to employ and  
8 equip additional sheriff's deputies for the sheriff's department of the  
9 county;

10 (II) To the extent the proceeds were collected from the  
11 areas of the taxing district for which the county is responsible for  
12 providing fire protection service but for which the sheriff's office of  
13 the county does not provide law enforcement service, to employ and  
14 equip additional firefighters for the county fire department; and

15 (III) To the extent the proceeds were collected from the  
16 areas of the taxing district for which the sheriff's office of the  
17 county provides law enforcement service and for which the county  
18 is responsible for providing fire protection service, to employ and  
19 equip additional firefighters for the county fire department, to  
20 employ and equip additional sheriff's deputies for the sheriff's  
21 office of the county, or both.

22 (c) May not be used:

23 (1) To settle or arbitrate disputes between a recognized  
24 organization representing employees of a county fire department  
25 and the county, or to settle any negotiations;

26 (2) To adjust the schedule of salaries and benefits across any  
27 bargaining unit within the county;

28 (3) To create new management positions or pay salaries to  
29 existing management positions; or

30 (4) To increase the base pay of, pay overtime to, provide  
31 bonuses to or otherwise compensate sheriff's deputies or firefighters  
32 above the schedule of salary for the currently effective collective  
33 bargaining agreement.

34 2. The sheriff's office and county fire department of a county  
35 in which a tax was imposed pursuant to section 3 of this act shall not  
36 expend the proceeds received from the tax unless the expenditure is  
37 approved by the board of county commissioners of the county.

38 3. The board of county commissioners of a county in which a  
39 tax is imposed pursuant to section 3 of this act must approve the  
40 expenditure of the proceeds of the tax by the sheriff's office of a  
41 county if it determines that:

42 (a) The proposed use of the money conforms to all provisions of  
43 sections 1 to 4, inclusive, and 9 of this act; and

44 (b) The proposed use will not replace or supplant existing  
45 funding for the sheriff's office of the county.



1 4. In determining that a proposed use meets the requirement set  
2 forth in paragraph (b) of subsection 3, the board of county  
3 commissioners must find that either:

4 (a) The per capita amount approved for expenditure by the board  
5 for the fiscal year for the support of the sheriff's office, not  
6 including any money received or expended from the tax imposed  
7 pursuant to section 3 of this act, is equal to or greater than the per  
8 capita amount approved for expenditure in the base fiscal year for  
9 the support of the sheriff's office; or

10 (b) The per capita amount approved for expenditure by the  
11 board for the fiscal year for the support of the sheriff's office, not  
12 including any money received or expended from the tax imposed  
13 pursuant to section 3 of this act, is less than the amount approved for  
14 expenditure in the base fiscal year for the support of the fire  
15 department and the board projects a decrease in the receipt of  
16 revenue in that fiscal year from consolidated taxes and property  
17 taxes, not including any money received or expended from the tax  
18 imposed by section 3 of this act, of more than 2 percent from its  
19 base fiscal year.

20 5. The board of county commissioners of a county in which a  
21 tax is imposed pursuant to section 3 of this act must approve the  
22 expenditure of the proceeds of the tax by the county fire department  
23 if it determines that:

24 (a) The proposed use of the money conforms to all provisions of  
25 sections 1 to 4, inclusive, and 9 of this act; and

26 (b) The proposed use will not replace or supplant existing  
27 funding for the county fire department.

28 6. In determining that a proposed use meets the requirement set  
29 forth in paragraph (b) of subsection 5, the board of county  
30 commissioners must find that either:

31 (a) The per capita amount approved for expenditure by the board  
32 for the fiscal year for the support of the fire department, not  
33 including any money received or expended from the tax imposed  
34 pursuant to section 3 of this act, is equal to or greater than the per  
35 capita amount approved for expenditure in the base fiscal year for  
36 the support of the fire department; or

37 (b) The per capita amount approved for expenditure by the  
38 board for the fiscal year for the support of the fire department, not  
39 including any money received or expended from the tax imposed by  
40 section 3 of this act, is less than the amount approved for  
41 expenditure in the base fiscal year for the support of the fire  
42 department and the board projects a decrease in its receipt of  
43 revenue in that fiscal year from consolidated taxes and property  
44 taxes, not including any money received or expended from the tax



1 imposed by section 3 of this act, of more than 2 percent from its  
2 base fiscal year.

3 7. If a board of county commissioners makes a finding  
4 pursuant to subsection 4 or 6, the board shall adopt a resolution  
5 setting forth the finding and the reasons therefor. If the finding is  
6 made pursuant to paragraph (b) of subsection 4 or paragraph (b) of  
7 subsection 6, the finding must include, without limitation, all facts  
8 supporting the projection of a decrease in revenue.

9 8. As used in this section, "base fiscal year" means, with  
10 respect to a body designated pursuant to subsection 2, the fiscal year  
11 in which the board of county commissioners held the public hearing  
12 described in section 1 of this act, except that:

13 (a) If, in any subsequent fiscal year, the amount approved for  
14 expenditure by the board of county commissioners for that  
15 subsequent fiscal year for the support of the sheriff's office or fire  
16 department, not including any money received or expended pursuant  
17 to the tax imposed pursuant to section 3 of this act, exceeds by more  
18 than 2 percent the amount approved for expenditure in the fiscal  
19 year in which the board of county commissioners held the public  
20 hearing described in section 1 of this act, the base fiscal year for the  
21 sheriff's office or fire department becomes the most recent of such  
22 subsequent fiscal years.

23 (b) If the base fiscal year is revised pursuant to paragraph (a)  
24 and, in any subsequent fiscal year, the amount approved for  
25 expenditure by the board of county commissioners for that  
26 subsequent fiscal year for the support of the sheriff's office or fire  
27 department, not including any money received or expended from the  
28 tax imposed pursuant to section 3 of this act, is equal to or less than  
29 the amount approved for expenditure in the fiscal year in which the  
30 board of county commissioners held the public hearing described in  
31 section 1 of this act, the base fiscal year for the sheriff's office or  
32 fire department becomes the fiscal year in which the board of county  
33 commissioners held the public hearing described in section 1 of this  
34 act but is subject to subsequent revision pursuant to paragraph (a).

35 **Sec. 5.** 1. The governing body of an incorporated city  
36 located in a county whose population is less than 700,000 may hold  
37 a public hearing to consider whether to recommend the imposition  
38 of the tax described in section 7 of this act for consideration by the  
39 voters at the 2020 General Election to employ and equip:

40 (a) Additional police officers for the police department of the  
41 incorporated city;

42 (b) Additional firefighters for the fire department of the  
43 incorporated city; or





1 (c) Both additional police officers for the police department of  
2 the incorporated city and additional firefighters for the fire  
3 department of the incorporated city.

4 2. At the public hearing held pursuant to subsection 1, the  
5 governing body of the incorporated city shall:

6 (a) Determine the per capita amount of money approved for  
7 expenditure for the current fiscal year by the governing body of the  
8 incorporated city for police protection service in the incorporated  
9 city and the per capita amount of money approved for expenditure  
10 for the current fiscal year by the governing body of the incorporated  
11 city for fire protection service in the incorporated city.

12 (b) Consider the needs for police protection and fire protection  
13 service in the incorporated city, including, without limitation,  
14 whether such needs can be met by employing and equipping  
15 additional police officers or firefighters, or both, and, if so, the  
16 number of additional police officers or firefighters, or both,  
17 necessary to meet the needs for police protection and fire protection  
18 service in the incorporated city.

19 (c) Consider whether to recommend the imposition of the tax  
20 described in section 7 of this act in the incorporated city for the  
21 purpose of employing and equipping additional police officers or  
22 firefighters, or both.

23 **Sec. 6.** 1. If, after a public hearing held pursuant to section 5  
24 of this act, the governing body of the incorporated city recommends  
25 the imposition of the tax described in section 7 of this act, the  
26 governing body of the incorporated city may, by a resolution  
27 adopted at a meeting occurring on a different day than the public  
28 hearing held pursuant to section 5 of this act, submit a question to  
29 the voters of the incorporated city at the General Election held on  
30 November 3, 2020, which asks whether the recommended tax  
31 should be imposed in the incorporated city. Before adopting such a  
32 resolution, the governing body of the incorporated city must hold a  
33 public hearing, whether at the meeting at which the resolution is  
34 adopted or at a separate meeting, to present its plan for  
35 implementing the recommended tax.

36 2. The question submitted to the voters of the incorporated city  
37 must specify the proposed rate of the recommended tax, which must  
38 not exceed 5 cents on each \$100 of assessed valuation of taxable  
39 property within the incorporated city, the period during which the  
40 recommended tax will be imposed, that the recommended tax is  
41 exempt from each partial abatement provided pursuant to NRS  
42 361.4722, 361.4723 and 361.4724 and that the provisions of NRS  
43 361.453 do not apply to the recommended tax. The explanation of  
44 the question submitted to the voters of the incorporated city must  
45 state the amount by which the tax imposed on the assessed valuation



1 of a single family residence having the median taxable value in the  
2 incorporated city will be increased if the question is approved by the  
3 voters.

4 3. If a majority of the voters voting on the question submitted  
5 to the voters pursuant to subsection 1 vote affirmatively on the  
6 question:

7 (a) The governing body of the incorporated city shall impose the  
8 recommended tax in the incorporated city at the rate and for the  
9 period specified in the question submitted to the voters pursuant to  
10 subsection 1.

11 (b) The tax imposed is exempt from each partial abatement from  
12 taxation provided pursuant to NRS 361.4722, 361.4723 and  
13 361.4724.

14 (c) The provisions of NRS 361.453 do not apply to the tax  
15 imposed.

16 (d) The tax shall be imposed notwithstanding the provisions of  
17 any specific statute to the contrary and, except as otherwise  
18 specifically provided in this section and sections 5 and 8 of this act,  
19 the tax is not subject to any limitations set forth in any statute which  
20 authorizes the board of county commissioners to impose such tax or  
21 taxes, including, without limitation, any limitations on the  
22 maximum rate or rates which may be imposed or the duration of the  
23 period during which such taxes may be imposed.

24 **Sec. 7.** Upon approval of the registered voters voting on a  
25 question presented to the voters pursuant to section 6 of this act  
26 recommending the imposition of a tax on the assessed valuation of  
27 taxable property within the incorporated city, the governing body of  
28 the incorporated city shall, in addition to any tax levied on the  
29 assessed valuation of taxable property in the incorporated city, levy  
30 a tax on the assessed valuation of taxable property within the  
31 incorporated city at the rate specified in the question presented to  
32 the voters pursuant to section 6 of this act, which rate must not  
33 exceed 5 cents on each \$100 of assessed valuation of taxable  
34 property within the incorporated city.

35 **Sec. 8.** 1. The proceeds of any tax imposed pursuant to  
36 section 7 of this act:

37 (a) Must be accounted for separately in the general fund of the  
38 incorporated city in which the tax is imposed. Any interest earned  
39 on money in the account, after deducting any applicable charges,  
40 must be credited to the account. Money that remains in the account  
41 at the end of a fiscal year does not revert to the general fund of the  
42 incorporated city and the balance in the account must be carried  
43 forward to the next fiscal year. The money in the account must be  
44 used only in accordance with this section.



1 (b) Must be used to employ and equip additional police officers  
2 for the police department of the incorporated city or additional  
3 firefighters for the fire department of the incorporated city, or both  
4 to employ and equip such additional police officers and firefighters.

5 (c) May not be used:

6 (1) To settle or arbitrate disputes between a recognized  
7 organization representing employees of the fire department or police  
8 department of the incorporated city and the incorporated city, or to  
9 settle any negotiations;

10 (2) To adjust the schedule of salaries and benefits across any  
11 bargaining unit within the incorporated city;

12 (3) To create new management positions or pay salaries to  
13 existing management positions; or

14 (4) To increase the base pay of, pay overtime to, provide  
15 bonuses to or otherwise compensate firefighters or police officers  
16 above the schedule of salary for the currently effective bargaining  
17 agreement.

18 2. The fire department and police department of an  
19 incorporated city in which a tax imposed pursuant to section 7 of  
20 this act shall not expend the proceeds received from the tax unless  
21 the expenditure is approved by the governing body of the  
22 incorporated city.

23 3. The governing body of an incorporated city in which a tax is  
24 imposed pursuant to section 7 of this act must approve the  
25 expenditure of the proceeds of the tax by the police department of  
26 the incorporated city if it determines that:

27 (a) The proposed use of the money conforms to all provisions of  
28 sections 5 to 9, inclusive, of this act; and

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

31 4. In determining that a proposed use meets the requirement set  
32 forth in paragraph (b) of subsection 3, the governing body of the  
33 incorporated city must find that either:

34 (a) The per capita amount approved for expenditure by the  
35 governing body for the fiscal year for the support of the police  
36 department, not including any money received or expended from the  
37 tax imposed pursuant to section 7 of this act, is equal to or greater  
38 than the per capita amount approved for expenditure in the base  
39 fiscal year for the support of the police department; or

40 (b) The per capita amount approved for expenditure by the  
41 governing body for the fiscal year for the support of the police  
42 department, not including any money received or expended from the  
43 tax imposed by section 7 of this act, is less than the amount  
44 approved for expenditure in the base fiscal year for the support of  
45 the police department and the governing body projects a decrease in



1 its receipt of revenue in that fiscal year from consolidated taxes and  
2 property taxes, not including any money received or expended from  
3 the tax imposed by section 7 of this act, of more than 2 percent from  
4 its base fiscal year.

5 5. The governing body of an incorporated city in which a tax is  
6 imposed pursuant to section 7 of this act must approve the  
7 expenditure of the proceeds of the tax by the fire department of the  
8 incorporated city if it determines that:

9 (a) The proposed use of the money conforms to all provisions of  
10 sections 5 to 9, inclusive, of this act; and

11 (b) The proposed use will not replace or supplant existing  
12 funding for the fire department.

13 6. In determining that a proposed use meets the requirement set  
14 forth in paragraph (b) of subsection 5, the governing body of the  
15 incorporated city must find that either:

16 (a) The per capita amount approved for expenditure by the  
17 governing body for the fiscal year for the support of the fire  
18 department, not including any money received or expended from the  
19 tax imposed pursuant to section 7 of this act, is equal to or greater  
20 than the per capita amount approved for expenditure in the base  
21 fiscal year for the support of the fire department; or

22 (b) The per capita amount approved for expenditure by the  
23 governing body for the fiscal year for the support of the fire  
24 department, not including any money received or expended from the  
25 tax imposed by section 7 of this act, is less than the amount  
26 approved for expenditure in the base fiscal year for the support of  
27 the fire department and the governing body projects a decrease in its  
28 receipt of revenue in that fiscal year from consolidated taxes and  
29 property taxes, not including any money received or expended from  
30 the tax imposed by section 7 of this act, of more than 2 percent from  
31 its base fiscal year.

32 7. If the governing body of an incorporated city makes a  
33 finding pursuant to subsection 4 or 6, the governing body shall  
34 adopt a resolution setting forth the finding and the reasons therefor.  
35 If the finding is made pursuant to paragraph (b) of subsection 4 or  
36 paragraph (b) of subsection 6, the finding must include, without  
37 limitation, all facts supporting the projection of a decrease in  
38 revenue.

39 8. As used in this section, "base fiscal year" means the fiscal  
40 year in which the governing body of the incorporated city held the  
41 public hearing described in section 5 of this act, except that:

42 (a) If, in any subsequent fiscal year, the amount approved for  
43 expenditure by the governing body for that subsequent fiscal year  
44 for the support of the police department or fire department, not  
45 including any money received or expended pursuant to the tax



1 imposed pursuant to section 7 of this act, exceeds by more than 2  
2 percent the amount approved for expenditure in the fiscal year in  
3 which the governing body held the public hearing described in  
4 section 5 of this act, the base fiscal year for the police department or  
5 fire department, as applicable, becomes the most recent of such  
6 subsequent fiscal years.

7 (b) If the base fiscal year is revised pursuant to paragraph (a)  
8 and, in any subsequent fiscal year, the amount approved for  
9 expenditure by the governing body for that subsequent fiscal year  
10 for the support of the police department or fire department, not  
11 including any money received or expended from the tax imposed  
12 pursuant to section 7 of this act, is equal to or less than the amount  
13 approved for expenditure in the fiscal year in which the board of  
14 county commissioners held the public hearing described in section 5  
15 of this act, the base fiscal year for the police department or fire  
16 department, as applicable, becomes the fiscal year in which the  
17 governing body held the public hearing described in section 5 of this  
18 act but is subject to subsequent revision pursuant to paragraph (a).

19 **Sec. 9.** 1. A board of county commissioners that has  
20 approved expenditures pursuant to section 4 of this act and a  
21 governing body of an incorporated city that has approved  
22 expenditures pursuant to section 8 of this act shall submit to the  
23 Department the periodic reports required by this section and such  
24 other information relating to the provisions of this act as may be  
25 requested by the Department.

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

28 (a) On or before:

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

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

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

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

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

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

42 (a) The total proceeds received by the police department,  
43 sheriff's office or fire department, as applicable, from a tax imposed  
44 pursuant to this act;



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

3 (1) The total expenditures made by the police department,  
4 sheriff's office or fire department from the tax imposed pursuant to  
5 this act;

6 (2) As applicable, the total number of police officers hired by  
7 the police department and the number of those officers that are  
8 filling authorized, funded positions for new officers;

9 (3) As applicable, the total number of firefighters hired by  
10 the fire department and the number of those firefighters that are  
11 filling authorized, funded positions for new firefighters;

12 (4) As applicable, the total number of sheriff's deputies hired  
13 by the sheriff's office and the number of those deputies that are  
14 filling authorized, funded positions for new deputies; and

15 (5) A detailed analysis of the manner in which each  
16 expenditure:

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

18 (II) Does not replace or supplant funding which existed  
19 before July 1, 2020, for the police department or fire department, as  
20 applicable; and

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

23 4. The Department may review and investigate the reports  
24 submitted pursuant to this section and the expenditure of any  
25 proceeds pursuant to section 4 or 8 of this act.

26 5. The Department shall provide a copy of each report  
27 submitted to this section to the Director of the Legislative Counsel  
28 Bureau for transmission to the Interim Finance Committee, if the  
29 Legislature is not in session, or to the Legislature, if the Legislature  
30 is in session.

31 6. As used in this section, "Department" means the Department  
32 of Taxation.

33 **Sec. 10.** The provisions of subsection 1 of NRS 218D.380 do  
34 not apply to any provision of this act which adds or revises a  
35 requirement to submit a report to the Legislature.

36 **Sec. 11.** Notwithstanding the provisions of NRS 218D.430 and  
37 218D.435, a committee may vote on this act before the expiration of  
38 the period prescribed for the return of a fiscal note in NRS  
39 218D.475. This section applies retroactively from and after May 29,  
40 2019.

41 **Sec. 12.** 1. This act becomes effective on July 1, 2019.

42 2. Sections 1 and 5 of this act expire by limitation on  
43 November 1, 2020.





