
SENATE BILL NO. 73—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE CITY OF RENO)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Revenue and
Economic Development

SUMMARY—Allows the imposition of certain taxes or the reallocation of certain tax revenue to fund certain natural resources projects and services in the City of Reno based on the recommendations of a committee and voter approval. (BDR S-432)

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 the City Council of the City of Reno to adopt a resolution establishing the formation of a committee to recommend the imposition of certain taxes or reallocation of certain tax revenue to fund certain natural resources projects and services in the City of Reno; providing that if such a committee is formed and submits its recommendations to the City Council of the City of Reno within the time prescribed, the City Council of the City of Reno is required to submit a question to the voters of the City of Reno at the 2022 General Election asking whether the recommended taxes should be imposed or the recommended tax revenue reallocated, or both; requiring the City Council of the City of Reno to adopt an ordinance imposing any such taxes or reallocating any such tax revenue approved by the voters; providing for the use of the proceeds of such taxes and tax revenue for such natural resources projects and services; providing for the prospective expiration of the authority to establish such a committee; and providing other matters properly relating thereto.



Legislative Counsel's Digest:

1 **Section 1** of this bill authorizes the City Council of the City of Reno to
2 establish by resolution a committee to recommend the imposition of certain taxes or
3 the reallocation of certain tax revenue for consideration by the voters of the City of
4 Reno at the 2022 General Election to fund capital projects and ongoing operational
5 costs for parks and recreational facilities and related services in the City of Reno,
6 the preservation of open space in the City of Reno and the protection of the Truckee
7 River and other natural resources in the City of Reno.

8 **Sections 2 and 3** of this bill provide that if such a committee is established, the
9 committee may recommend the imposition of one or more of the following taxes:
10 (1) an additional tax on the gross receipts from the rental of transient lodging in the
11 City of Reno; (2) a supplemental governmental services tax for the privilege of
12 operating a vehicle upon the public streets, roads and highways of the City of Reno;
13 (3) an additional tax on the transfer of real property in the City of Reno; (4) an
14 additional sales and use tax in the City of Reno; and (5) an additional property tax
15 in the City of Reno. In addition, the committee may recommend the reallocation of
16 tax revenue from taxes imposed by the City of Reno to provide funding for the
17 flood management authority of which the City of Reno is a member. The
18 recommendations of the committee must specify the rate or rates for each of the
19 recommended taxes and, if applicable, the percentage of the reallocation of the tax
20 revenue related to flood management, and may specify the period during which the
21 recommended taxes will be imposed or tax revenue will be reallocated. If the
22 committee submits its recommendations to the City Council of the City of Reno by
23 April 2, 2022, **section 2** requires the City Council of the City of Reno to submit a
24 question to the voters of the City of Reno at the November 8, 2022, General
25 Election asking whether any of the taxes recommended by the committee should be
26 imposed or the tax revenue related to flood management should be reallocated, or
27 both. If a majority of the voters of the City of Reno approve the question, **section 2**
28 requires the City Council of the City of Reno to impose the approved taxes or
29 reallocate the tax revenue related to flood management, or both, at the rate or
30 percentage, as applicable, specified in the question submitted to the voters. If a
31 majority of the voters of the City of Reno approve the imposition of an additional
32 property tax, the additional rate is exempt from the partial abatement of property
33 taxes on certain property and the requirement that taxes ad valorem not exceed
34 \$3.64 on each \$100 of assessed valuation.

35 **Section 4** of this bill provides that the proceeds resulting from the imposition of
36 such taxes or the reallocation of such tax revenue: (1) must be distributed to the
37 City of Reno and used to fund capital projects and ongoing operational costs for
38 parks and recreational facilities and related services in the City of Reno, the
39 preservation of open space in the City of Reno and the protection of the Truckee
40 River and other natural resources in the City of Reno; and (2) may be pledged to
41 the payment of the principal and interest on bonds or other obligations issued for
42 such purposes.

43 **Section 6** of this bill provides that the provisions of this bill authorizing the
44 City Council of the City of Reno to establish such a committee expire by limitation
45 on April 2, 2022.

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

1 **Section 1.** 1. The City Council of the City of Reno, may, by
2 resolution, establish a committee to recommend the imposition of
3 one or more of the taxes described in section 3 of this act or the



1 reallocation of the tax revenue described in section 3 of this act, or
2 both, for consideration by the voters at the 2022 General Election to
3 fund capital projects and ongoing operational costs for parks and
4 recreational facilities and related services in the City of Reno, the
5 preservation of open space in the City of Reno and the protection of
6 the Truckee River and other natural resources in the City of Reno. If
7 such a resolution is adopted, the committee must be appointed
8 consisting of:

9 (a) The City Manager of the City of Reno, who serves ex
10 officio, or his or her designee.

11 (b) One Senator whose legislative district includes any part of
12 the City of Reno, appointed jointly by those Senators whose
13 legislative districts include part of the City of Reno.

14 (c) One member of the Assembly whose legislative district
15 includes any part of the City of Reno, appointed jointly by those
16 members of the Assembly whose legislative districts include part of
17 the City of Reno.

18 (d) One member who is a representative of Nevada Realtors,
19 appointed by that organization.

20 (e) One member who is a representative of the Retail
21 Association of Nevada, appointed by that Association.

22 (f) One member who represents economic development in the
23 City of Reno, appointed by the regional development authority, as
24 defined in NRS 231.009, for the City of Reno.

25 (g) One member who represents gaming, appointed by the
26 gaming association with the largest membership in the City of Reno.

27 (h) One member who represents business or commercial
28 interests other than gaming, appointed by the local chamber of
29 commerce with the largest membership in the City of Reno.

30 (i) One member who represents users of park facilities in the
31 City of Reno, appointed by the Recreation and Parks Commission of
32 the City of Reno.

33 (j) One member who represents conservation and environmental
34 interests, appointed by the City Council of the City of Reno.

35 (k) One member who represents the outdoor recreation industry,
36 appointed by the Advisory Board on Outdoor Recreation created by
37 NRS 407A.575, or, if the Advisory Board does not meet in a timely
38 fashion to make such an appointment, the Lieutenant Governor.

39 (l) One member who represents the general public, appointed by
40 the City Council of the City of Reno.

41 2. The members appointed pursuant to paragraphs (d) to (l),
42 inclusive, of subsection 1 must be residents of the City of Reno.

43 3. Any vacancy occurring in the appointed membership of a
44 committee established pursuant to subsection 1 must be filled in the



1 same manner as the original appointment not later than 30 days after
2 the vacancy occurs.

3 4. If a committee is established pursuant to subsection 1, the
4 committee shall hold its first meeting upon the call of the City
5 Manager of the City of Reno as soon as practicable after the
6 appointments are made pursuant to subsection 1. At the first meeting
7 of the committee, the members of the committee shall elect a chair.

8 5. A majority of a committee established pursuant to
9 subsection 1 constitutes a quorum for the transaction of business. If
10 a quorum is present, a majority of those members present at any
11 meeting is sufficient for any official action taken by the Committee.

12 6. If a committee is established pursuant to subsection 1, the
13 City Manager of the City of Reno shall provide administrative
14 support to the committee.

15 **Sec. 2.** 1. If a committee is established pursuant to
16 subsection 1 of section 1 of this act, the committee shall, on or
17 before April 2, 2022:

18 (a) Prepare recommendations for the imposition of one or more
19 of the taxes described in section 3 of this act or the reallocation of
20 the tax revenue described in section 3 of this act, or both, to fund
21 capital projects and ongoing operational costs for parks and
22 recreational facilities and related services in the City of Reno, the
23 preservation of open space in the City of Reno and the protection of
24 the Truckee River and other natural resources in the City of Reno.
25 The recommendations must specify the proposed rate or rates for
26 each of the recommended taxes or the proposed percentage of the
27 reallocation of the tax revenue, or both, and may specify the period
28 during which one or more of the recommended taxes will be
29 imposed or the tax revenue will be reallocated.

30 (b) Submit the recommendations to the City Council of the City
31 of Reno.

32 2. Upon the receipt of recommendations pursuant to subsection
33 1, the City Council of the City of Reno shall, at the General Election
34 on November 8, 2022, submit a question to the voters of the City of
35 Reno asking whether any of the recommended taxes should be
36 imposed in the City of Reno or whether the tax revenue from taxes
37 imposed by the City of Reno to fund the flood management
38 authority, as defined in NRS 244A.0293, of which the City of Reno
39 is a member should be reallocated, or both. The question submitted
40 to the voters of the City of Reno must specify the proposed rate or
41 rates for each of the recommended taxes and the percentage for the
42 reallocation of the tax revenue and the period during which each of
43 the recommended taxes will be imposed or the recommended tax
44 revenue will be reallocated, if the period was specified in the
45 recommendations submitted pursuant to subsection 1. If the



1 question submitted to the voters pursuant to this subsection asks the
2 voters of the City of Reno whether to impose the tax described in
3 subsection 5 of section 3 of this act, the question must state that any
4 such tax imposed is exempt from each partial abatement from
5 taxation provided pursuant to NRS 361.4722, 361.4723 and
6 361.4724.

7 3. If a majority of the voters voting on the question submitted
8 to the voters pursuant to subsection 2 vote affirmatively on the
9 question:

10 (a) The City Council of the City of Reno shall impose the
11 recommended tax or taxes or reallocate the recommended tax
12 revenue, or both, in accordance with the provisions of section 3 of
13 this act and at the rate or rates, or percentage for reallocation,
14 specified in the question submitted to the voters pursuant to
15 subsection 2.

16 (b) If the question recommended the imposition of the tax
17 described in subsection 5 of section 3 of this act:

18 (1) Any such tax imposed is exempt from each partial
19 abatement from taxation provided pursuant to NRS 361.4722,
20 361.4723 and 361.4724.

21 (2) The provisions of NRS 361.453 do not apply to any such
22 tax imposed.

23 (c) The tax or taxes shall be imposed notwithstanding the
24 provisions of any specific statute to the contrary and, except as
25 otherwise specifically provided in sections 1 to 4, inclusive, of this
26 act, such tax or taxes are not subject to any limitations set forth in
27 any statute which authorizes the City Council of the City of Reno to
28 impose such tax or taxes, including, without limitation, any
29 limitations on the maximum rate or rates which may be imposed or
30 the duration of the period during which such taxes may be imposed.

31 **Sec. 3.** 1. Upon approval of the registered voters of the City
32 of Reno voting on a question presented to the voters pursuant to
33 section 2 of this act recommending the imposition of a tax on the
34 gross receipts from the rental of transient lodging, in addition to all
35 other taxes imposed on the revenue from the rental of transient
36 lodging, the City Council of the City of Reno shall impose a tax on
37 the gross receipts from the rental of transient lodging at the rate
38 specified in the question presented to the voters pursuant to section
39 2 of this act. The tax must be imposed throughout the City of Reno,
40 upon all persons in the business of providing transient lodging. The
41 tax must be administered and enforced in the same manner as
42 similar taxes imposed pursuant to chapter 268 of NRS on the
43 revenue from the rental of transient lodging are administered and
44 enforced.



1 2. Upon approval of the registered voters of the City of Reno
2 voting on a question presented to the voters pursuant to section 2 of
3 this act recommending the imposition of a supplemental
4 governmental services tax for the privilege of operating a vehicle
5 upon the public streets, roads and highways of the City of Reno, the
6 City Council of the City of Reno shall, in addition to any
7 supplemental governmental services tax imposed pursuant to NRS
8 371.030 and 371.043, impose a supplemental governmental services
9 tax at the rate specified in the question presented to the voters
10 pursuant to section 2 of this act on each vehicle based in the City of
11 Reno except:

12 (a) A vehicle exempt from the governmental services tax
13 pursuant to chapter 371 of NRS; or

14 (b) A vehicle subject to NRS 706.011 to 706.861, inclusive,
15 which is engaged in interstate or intercounty operations.

16 ➔ The tax must be administered and enforced in the same manner
17 as the taxes imposed pursuant to NRS 371.030 are administered and
18 enforced.

19 3. Upon approval of the registered voters of the City of Reno
20 voting on a question presented to the voters pursuant to section 2 of
21 this act recommending the imposition of a tax on transfers of real
22 property, in addition to all other taxes imposed on transfers of real
23 property pursuant to chapter 375 of NRS, the City Council of the
24 City of Reno shall impose a tax at the rate specified in the question
25 presented to the voters pursuant to section 2 of this act on each deed
26 by which any lands, tenements or other realty is granted, assigned,
27 transferred or otherwise conveyed to, or vested in, another person,
28 or land sale installment contract, if the consideration or value of the
29 interest or property conveyed exceeds \$100. The amount of the tax
30 must be computed on the basis of the value of the real property that
31 is the subject of the transfer or land sale installment contract as
32 declared pursuant to NRS 375.060. The county recorder shall collect
33 the tax in the manner provided in NRS 375.030.

34 4. Upon approval of the registered voters of the City of Reno
35 voting on a question presented to the voters pursuant to section 2 of
36 this act recommending the imposition of a tax on the gross receipts
37 of any retailer from the sale of all tangible personal property sold at
38 retail, or stored, used or otherwise consumed in the City of Reno,
39 the City Council of the City of Reno shall impose the tax at the rate
40 specified in the question presented to the voters pursuant to section
41 2 of this act. The tax must be administered and enforced in the same
42 manner as the taxes imposed pursuant to chapter 374 of NRS are
43 administered and enforced.



1 5. Upon approval of the registered voters of the City of Reno
2 voting on a question presented to the voters pursuant to section 2 of
3 this act recommending an increase in the rate of the tax levied in
4 accordance with NRS 361.460, the City Council of the City of Reno
5 shall, in addition to any tax levied in accordance with NRS 361.460,
6 levy a tax on the assessed valuation of taxable property within the
7 City of Reno in the amount described in the question presented to
8 the voters pursuant to section 2 of this act. The tax must be
9 administered and enforced in the same manner as the tax imposed
10 pursuant to NRS 361.460 is administered and enforced.

11 6. Upon approval of the registered voters of the City of Reno
12 voting on a question presented to the voters pursuant to section 2 of
13 this act recommending the reallocation of tax revenue from taxes
14 imposed to fund the flood management authority, as defined in NRS
15 244A.0293, of which the City of Reno is a member, the City
16 Council of the City of Reno shall reallocate the tax revenue in the
17 amount described in the question presented to the voters pursuant to
18 section 2 of this act.

19 **Sec. 4.** The proceeds of any tax or taxes imposed and tax
20 revenue reallocated pursuant to sections 2 and 3 of this act:

21 1. Must be distributed to the City of Reno and, except as
22 otherwise provided in subsection 2, expended to fund capital
23 projects and ongoing operational costs for parks and recreational
24 facilities and related services in the City of Reno, the preservation of
25 open space in the City of Reno and the protection of the Truckee
26 River and other natural resources in the City of Reno.

27 2. May be pledged to the payment of principal and interest on
28 bonds or other obligations issued for one or more of the purposes set
29 forth in subsection 1. The proceeds of such taxes so pledged may be
30 treated as pledged revenues for the purposes of subsection 3 of NRS
31 350.020, and the City Council of the City of Reno may issue bonds
32 for those purposes in accordance with the provisions of chapter 350
33 of NRS.

34 **Sec. 5.** If a majority of the voters voting on a question
35 presented pursuant to section 2 of this act approve a reallocation of
36 the tax revenue from taxes imposed to fund the flood management
37 authority, as defined in NRS 244A.0293, of which the City of Reno
38 is a member, the Board of County Commissioners of Washoe
39 County and the City Council of the City of Sparks may each submit
40 the question of the reallocation of a comparable percentage of tax
41 revenue from taxes imposed by those entities to fund the flood
42 management authority, to their respective voters at the General
43 Election on November 5, 2024.

44 **Sec. 6.** 1. This section and sections 2 to 5, inclusive, of this
45 act become effective upon passage and approval.



1 2. Section 1 of this act becomes effective upon passage and
2 approval and expires by limitation on April 2, 2022.

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