

TAXTOPICS

A Publication of the Nevada Taxpayers Association serving the citizens of Nevada since 1922

ISSUE 2-09

JUNE 2009

‘Sine Die’ Snafu – Session Ends Timely, But Not Gracefully

Some seasoned observers bristled, others snickered, as Nevada’s 75th Legislative session ended with a procedural snafu. Confusion reigned for the final few minutes, as the two houses failed to sync up their adjournment. Just before midnight, two committees were dispatched from the Assembly to formally notify the Senate and the Governor that the lower house was ready to adjourn *sine die*, the Latin phrase that brings the gavel down. Even in the age of instant messaging, the Legislature observes this old tradition, appointing committees of three to deliver messages in person.

On the night of June 1, 2009, however, Senate staff denied entry to the committee from the other house. Not once, but twice. Inside the upper chamber, Senators were discussing and passing an 80-page amendment to an Assembly bill on elections. The third time the Assembly committee appeared, the doors were opened, and by now the message was slightly different -- “The Assembly *has adjourned*, sine die.”

The Senate Majority Leader immediately announced adjournment, to the astonishment of the Senate Secretary, who was still processing bills at the front desk. Chins dropped, heads pivoted from left to right and back again. Work resumed momentarily. The Senate finished up and then adjourned – this time for real – about twenty minutes later, well within the 1:00 a.m. deadline the Nevada Supreme Court has approved to compensate for a lost hour due to daylight saving time.

In any other session, this Keystone Cops routine might have been disastrous. But the leadership had weeks prior set a May 22 deadline for themselves to move budget and tax bills, in order to allow for expected vetoes by the Governor, and to give themselves time for an override. For those purposes, the important adjournment had already taken place, more than a week earlier. In contrast to the usual mad scramble, this session’s final days were conducted at a luxurious pace, with many lengthy recesses and a generous series of stop downs in each house to pay tribute to termed-out members.

Whether or not you liked the final outcome, the 2009 legislature concluded promptly, if not gracefully. For

continued next column

the second time since 1999, lawmakers finished their work before the end of the 120th day, without a special session.

continued page 6

In This Issue

Tax Enactments

Business Taxes	2
Sales Taxes.. . . .	2
Property Tax.	3
Vehicle Tax	4
Room Tax.	5
Tax Abatements.	5
Tax Administration.. . . .	6

Vetoes

Recent History.. . . .	7
Summary.. . . .	8

Playing Catch-up

Cashman Good Government Award. 10	
Board Meeting.	11
Legislative Dinner.	11
Election Results.. . . .	11
Contact Information.. . . .	12

The Tax Enactments

BUSINESS TAXES

AB 37 - State Business License Fee Penalties

Allows the Department of Taxation to provide discretionary relief from penalties for failure to pay the business license fee. Effective May 6, 2009.

AB 146 - State Business License Fee (Tax)

This legislation, also known as the “business portal,” changes the administration of the state business license from the Department of Taxation to the Secretary of State effective October 1, 2009. Deletes the definition of “place of business” in order to expand the tax to all persons or entities doing business in Nevada regardless of whether they have a physical location or employees located in Nevada. A grace period is provided until January 1, 2010 before penalties will be applied for failure to pay the tax. The Secretary of State is also required to design an electronic business portal, which eventually will become the on-line entry location for most business transactions with other State agencies. The Interim Finance Committee will approve expenditure of the \$6.8 million, which has been appropriated to develop the portal. Effective October 1, 2009.

Notes: (1) Per SB 435 (a trailer bill), the tax increase of \$100 sunsets on June 30, 2011. (2) This is not a fee, but a tax, as the revenue is used for the support of general government functions. A fee is used to support a regulatory function imposed on the persons or entities who pay the fee.

SB 429 - The Modified Business Tax (MBT) General Business

(Editor’s Note: SB 429 was the primary funding bill for this session. It contained four tax increases, each of which is reported separately under the appropriate tax heading in this issue of Tax Topics.)

Increases the State Business License from \$100 to \$200. Establishes two rate tiers for the MBT - general business. The first tier rate of 0.5 percent is on the reported quarterly payroll that does not exceed \$62,500. The second rate tier is on the reported quarterly payroll over \$62,500, and increases to 1.17 percent. Effective July 1, 2009. Sunsets on June 30, 2011.

Notes: (1) The rate has been 0.63 percent on the total payroll reported. (2) The projected revenue for the Business License Tax from both this bill and AB 146 above, is \$83 million over the biennium. Projected

continued next column

revenue from the change in the MBT for general business is \$345.7 million over the biennium. (2) The first tier was not included in the MBT for financial institutions (NRS 363A.), which includes stock brokers, small business investment companies, etc. as well as banks.

SALES TAXES

AB 403 - Streamlined Sales Tax Compliance

Incorporates into Nevada law provisions necessary for Nevada to remain in compliance with the Streamlined Sales Tax Agreement. Also provides for a ballot question (November 2010) to allow the Legislature to revise the sales and use tax laws, if the revisions are required to remain in accordance with the Agreement. Does not allow the legislature to increase the state portion of the rate (2 percent) or to narrow the scope of any exemption as amended by a vote of the people. Effective May 22, 2009.

Note: According to a recently released report, Nevada is losing approximately \$105 million in sales tax revenue due to internet sales. Internet sales are increasing an average of 20 percent each year.

SB 429 - Sales Tax Rate Increase

The local school support tax (LSST) portion of the sales and use tax is increased by 0.35 percent . The new LSST rate is 2.60 percent. Effective July 1, 2009. Sunsets on June 30, 2011.

Notes: (1) The trailer bill, SB 435, exempts a contract written before July 1, 2009 for the delivery of tangible personal property from the 0.35 percent increase. (2) The projected revenue from the increase over the biennium is \$280 million.

SCR 35 - Streamlined Sales Tax Resolution

Urges the United States Congress to enact legislation allowing states to collect sales taxes on remote sales, including sales made over the internet and through catalogue sales. Cites work by state and local officials with state tax administrators and private sector members to develop a streamlined collection system. Cites the interstate compact ratified by Nevada and 39 other states, and lists Nevada organizations, including NTA, representing a cross-section of constituencies that urges support for the Main Street Fairness Act, to be introduced in the 111th Congress.

Note: In order to be able to collect the tax on remote sales, Congress needs to change the definition of “nexus.”

PROPERTY TAXES

AB 205 - Property Tax Administration

Provides a method to calculate a partial property tax abatement due to a reduction in value because an improvement was destroyed or removed, or because there was an over assessment based on factual error. The assessors are authorized to use any final representations or plans as a basis for determining measurement when calculating value. Clarifies that the personal property bill is the Notice of Value for unsecured personal property and clarifies the deadline for appeals of personal property on the unsecured roll. Extends the abatement appeal filing deadline¹ to June 30, formerly January 15. Makes it a gross misdemeanor to remove, conceal or deface official notices posted on or around seized property. Clarifies the circumstances under which a golf course will have been converted to a higher use, for the purpose of calculating deferred taxes from the period during which it was designated as open space. Extends to June 30, 2011 the sunset on the percentage of personal property tax revenue and net proceeds of minerals tax revenue being used for technology upgrades by the assessors. Effective dates vary, beginning with May 28, 2009.

Note: ¹ The filing deadline for appeals based on property value remains January 15.

AB 369 - Exemption for Nonprofit Organizations Holding Land

Provides for an additional exemption from taxation if the property is being held indefinitely for purposes of education, environmental protection or conservation and adds the Federal government as additional entity for which the land may be held (other entities are the State and local governments). Effective July 1, 2009.

AB 543 - Redistribution of Property Tax

Diverts to the State general fund the revenue generated by four cents per \$100 of assessed value from Clark and Washoe Counties' operating rate. Also diverts the property tax revenue received from the two Counties' capital projects rate, except for revenue that has been pledged for debt. To make up for any loss of revenue, the Washoe County may impose, without a vote, an increase in the Governmental Services Tax of not more than one cent on each dollar of valuation, already authorized by statute. Clark and Washoe Counties can spend the additional Governmental Services Tax for

continued next column

operating (originally approved by the voters for transportation projects). Additionally, the fees and taxes imposed and received for transportation districts can be used for operating costs to the extent that any outstanding debt is not impaired. The diversion of revenue effective July 1, 2009 is for fiscal years 2010 and 2011.

Notes: (1) This proposal is from the budget submitted by the Governor for the next biennium. It does not include any cities within the two counties. (2) Any additional revenue received from the change in the vehicle depreciation schedules (AB 429) can also be expended for operating. (3) The revenue projected to be received from Clark County is \$57.7 million for the biennium and from Washoe County is \$10.7 million for the biennium.

SB 431 (Section 20) - Redistribution of Property Tax

This is one of the budget bills, commonly referred to as the "authorization bill." Section 20 diverts the revenue generated from the accident indigent fund rate (2 1/4 cents per \$100 of assessed valuation), to the State general fund. The sum to be transferred is \$25.2 million in fiscal year 2010 and \$23 million in fiscal year 2011, \$48.2 million over the biennium. Effective July 1, 2009.

Note: The revenue breakdown over the biennium is \$38 million from Clark County, \$6.9 million for Washoe County, and from the remaining Counties \$3.3 million.

AB 564 - Capital Projects Property Tax

Maintains the existing 17 cents per \$100 of assessed valuation for the next biennium to fund capital project debt. Effective July 1, 2009.

Get Ready - Another Tax Study

Senate Concurrent Resolution 37 requires the Interim Finance Committee to appoint a Legislative Subcommittee. The Subcommittee will select through competitive bidding a private consultant, appoint a Nevada Vision Stakeholder Group and a Technical Working Group. The consultant is directed to coordinate with Stakeholder Group to develop strategies to improve quality-of-life standings and make specific recommendations regarding changes and additions to Nevada's tax structure. The next issue of Tax Topics will delve into the whys and wherefores of the study.

VEHICLE TAXES

AB 332 - Vehicle Fuel Changes

This legislation includes ethanol and methanol within the definition of motor vehicle fuel and biodiesel and biodiesel blends are added the definition of special fuels. They are required to be taxed in the same manner and rate as gasoline and special fuels. Dealers, suppliers, exporters and transporters of ethanol, methanol and biodiesel will now be subject to all of the same requirements as their counterparts who handle gasoline and special fuels. Other changes include: the adoption of regulations to define “clean vehicles” by the State Environmental Commission; revision of the definition of “fleet” from 10 or more vehicles to 50 or more vehicles; and revisions to the provisions which encourage the voluntary use of clean vehicles. Effective June 4, 2009 for the adoption of regulations and January 1, 2010 for the imposition of the tax.

SB 429 - Vehicle Depreciation

Delays the rate of vehicle depreciation on motor vehicles by one year. The revenue from the new increment is deposited to the State general fund. Effective September 1, 2009. On July 1, 2013, the revenue is transferred to the State Highway Trust Fund.

CAR AGE	% of Initial Value Old Schedule	% of Initial Value New Schedule
New	100	100
1 year	85	95
2 years	75	85
3 years	65	75
4 years	55	65
5 years	45	55
6 years	35	45
7 years	25	35
8 years	15	25
9 years & over	5	15
TRUCK AGE	% of Initial Value Old Schedule	% of Initial Value New Schedule
New	100	100
1 year	75	85
2 years	59	69
3 years	47	57
4 years	37	47
5 years	28	38
6 years	23	33
7 years	20	30
8 years	17	27
9 years	15	25
10 years & over	13	23

NOTES: (1) For trucks the depreciation schedule is for vehicles weighing 10,000 pounds or more, or a trailer or semitrailer having an unladen weight of 4,000 pounds or more. (2) Revenue projected for the biennium is \$94.2 million.

SB 201 - Washoe County - Fuel Tax Indexing

Changes the index used to increase the fuel tax from the Consumer Price Index to the adjusted average street and highway construction inflation index, which is based on the Producer Price Index for Street and Highway Construction. Expands the use of the new index to all motor vehicle fuels including special fuels. Caps the increase to the lesser of 7.8 percent or the adjusted average street and highway construction inflation index. With the exception of the County Regional Transportation portion of the various fuel tax components, only the revenue increment generated by the new index accrues to the RTC. Exempts the sale of revenue bonds financed with county fuel taxes from the statutory provisions governing competitive bidding or the negotiated sales of bonds. The increase under these provisions is effective the later of the first day of the calendar quarter, beginning not less than 90 days after the adoption of the ordinance or January 1, 2010, whichever is later. Effective June 2, 2009.

Note: The change in the index was approved by Washoe County voters at the November 2008 general election.

SB 234 - Car Rental Tax

The short-term rental tax charged to the lessor of a car is increased from 6 percent to 10 percent by taking the allowed “recovery surcharge”¹, which the lessee was allowed to keep and redirects it to the State general fund. For “giving up” the recovery surcharge, the rental car companies are allowed to impose a fee “To recover costs incurred . . . without limitation . . .” for vehicle licensing costs, concession, access and other fees imposed for the privilege of operating at the facility and to recover any fees paid on behalf of the renter by an airport facility for the privilege of using the facility. A periodic adjustment of the fees by lessees to recover costs is authorized. This additional charge must be specifically identified in any quotation or lease agreement by the short-term lessor. The lessor must file an annual report with the Department of Taxation identifying the charges billed and the total amount of revenue recovered. Amends the definition of an “uninsured motor vehicle” to include a passenger car for which the lessor has provided coverage up to the minimum statutory requirement, but for which the lessee does not have the minimum coverage. Effective October 1, 2009.

Note: ¹ The recovery surcharge was 4 percent. One percent of the surcharge was redirected during the 2007 Legislative session to the State’s Highway Trust Fund. It will continue to be deposited in that fund, but as part of the 10 percent car rental tax.

TRANSIENT LODGING TAX (ROOM TAX)

IP 1 - Initiative Petition to Increase Room Tax

Increases the room tax 3 percent in Clark and Washoe Counties and the cities therein, to the extent that the increase does not cause the room tax to exceed 13 percent. Effective July 1, 2009, with funds directed to the State's general fund. Effective July 1, 2011 the tax is redirected to improve school (K-12) achievement and increase teachers' salaries.

Notes: (1) This tax was put on the ballot through the initiative process and approved by the voters at the November 2008 general election. (2) The projected revenue for the biennium is approximately \$220 million.

SB 435 - Transient Lodging Tax Implementation

(Ed. Note: For a description of other provisions contained within this bill, see "Tax Administration" heading this issue.)

Provides the procedures and the timetable for payment of the room taxes due to the State, including IP 1, which Clark and Washoe County Commissioners must include in the ordinance to implement IP 1. Effective June 3, 2009.

TAX ABATEMENTS & EXEMPTIONS

AB 492 - Evaluation of Abatements and Exemptions

Memorializes the requirements of Question 3, (AJR 16), which was approved by the voters at the November 2008 general election in a statute. That question established the findings required before an exemption or abatement to property and sales tax can be approved by the Legislature. It also required the establishment of expiration date of 10 years for abatements granted by the Commission on Economic Development. Additional provisions in the bill require a report by the Commission on Economic Development regarding abatements granted; the submission of a compliance report by the recipient of an abatement. The abatement is not to include the local school support portion of the sales tax. The requirements for notification to entities affected by the economic development abatements is expanded. Effective July 1, 2009.

Note: For the language of Question 3 go to our website (www.nevadat taxpayers.org) and click on *Tax Topics*, October 2008.

AB 522 - Expansion of Renewable Energy Abatements

The Nevada Energy Commissioner is authorized to grant partial abatement of property taxes and local sales and use taxes, excluding the local school support tax portion, to certain facilities for the generation of process heat from solar renewable energy, wholesale facilities for the generation of electricity from renewable energy, facilities for the generation of electricity from geothermal resources and facilities for the transmission of electricity produced from renewable energy. Establishes the conditions that an applicant for the abatement must meet in order to qualify for the abatement. Establishes the percentages and length of time for the abatements of property and of the local sales tax. Sunsets these abatements in 40 years. Also, establishes the fund for renewable energy, energy efficiency and energy conservation loans and the account for set-aside programs. The program is administered by the Director of the Office of Energy. The fund and account for set-aside programs may be used only for the purposes set forth in the American Recovery and Reinvestment Act and to make loans at a rate of not more than 3 percent to renewable energy systems for the construction of renewable energy projects. Under certain conditions the approval of the Legislature or the Interim Finance Committee is required for use of the funds. Effective dates vary beginning with May 28, 2009.

SB 73 - Green Building Abatements

Requires reporting to the Director of the Office of Energy when a local government adopts more stringent green building requirements. Excludes maintenance from "electric resistance" retrofitting requirements and defines "electric resistance." Provides that an applicant for a partial abatement related to energy savings/green buildings is required to file with the applicable offices (a county or city) to receive copies of abatement applications if the building is located within their jurisdiction. Currently the filing is done with the Office of Energy. Effective May 28, 2009.

Need more information about a bill reported in this issue? Call us, or go to the Legislative website, www.leg.state.nv.us, and click on "Session Information - 2009."

TAX ADMINISTRATION

AB 23 - Overpayment of Taxes

Authorizes the Department of Taxation to credit overpayment of taxes against other taxes administered by the Department. Effective July 1, 2009.

AB 193 - Reporting of Taxes and Fees by State Agencies

Requires the Departments of Taxation, Motor Vehicles, Employment Training and Rehabilitation and Business and Industry, the Offices of State Controller and Secretary of State and the State Gaming Control Board to file a quarterly report to the interim finance committee, on the taxes and fees due to the agency, the actual collections, and taxes or fees not collected because of an abatement or exemption (to the extent that information is available). The State Controller will only file the information to the extent that an agency has turned over taxes or fees for collection. The Department of Taxation is also required to include a report on special districts which are not subject to the Local Government Budget and Finance Act. The Commission on Economic Development is required to file a quarterly report on abatements and exemptions granted or otherwise waived. The reports which are to be filed within 60 days of the end of each quarter being with the July 1, 2009 quarter through April 15, 2011. Effective May 26, 2009.

AB 543 - Collection Allowance & Assessment

(Editor's Note: The total amount of revenue projected to be collected from the reduction in the retail collection allowance and the local government collection assessment for the biennium is \$83 million.)

1. Retail Allowances - Removes the expiration date and maintains the reduction in the retail collection allowances for sales, cigarettes, other tobacco products and alcoholic beverages. The allowances were reduced from ½ percent to ¼ percent in SB 2 of the Special Session held on December 8, 2009. It was supposed to be a "temporary measure," expiring on June 30, 2009. The diversion of this revenue is to the State general fund.

Note: (1) Collection allowances are provided to retailers to offset the cost for acting as the State's tax collector, and associated bookkeeping and compliance issues.

2. Local Government Collection Assessment - Imposes an additional 1 percent in addition to the 3/4 percent currently imposed by the State for collecting

continued next column

the sales and use tax for counties and cities. Also, provides procedures and a time table for payment of the transient lodging (room) tax due to the State, including IP 1, which Clark and Washoe county commissioners must include in the ordinance to implement IP 1.

Notes: (1) The collection assessment was supposed to reflect the cost of the collection by the State for local governments; this new rate of 1 3/4 percent no longer reflects the cost. It is pure revenue generation. (2) The local school support tax portion of the sales and use tax is not subject to the increased assessment.

SB 435 Technical Corrections to AB 146 and AB 552

Provides that the \$100 increase in the State Business License Tax sunsets June 30, 2011 (AB 146); and exempts a contract written before July 1, 2009 for the delivery of tangible personal property from the 0.35percent sales tax increase. (AB 552).

continued from page 1

Understanding that approximately three-quarters of Nevada businesses are small business by any definition Legislators attempted to mitigate the impact on them by enacting a tiered system for the Modified Business Tax - general business.

Unfortunately, the totality of other fiscal impacts on business were not considered. For example the minimum wage will be automatically increased on July 1, 2009 thanks to the union- backed initiative petition approved by the voters in 2006 and again on July 24, 2009 because of an increase in the Federal minimum wage. Then sometime next year, hopefully not sooner, the unemployment insurance rate paid by employers will have to increase so that the fund will eventually return to solvency. Additionally, a number of local governments have discussed and are exploring fee increases.

Taxpayers are not the only ones who will feel the impacts of the State wanting more revenue, starting July 1 of this year local governments, particularly Clark and Washoe Counties, will see substantially curtailed revenues on the one hand, and unfunded mandates that were passed on the other.

Veto Tracking 1945 Through 2009 - *Deja Vu*, Anyone?

Looking back more than six decades at a list of governors and their vetoes, the legislation covers strikingly familiar territory. Bills nixed over the years covered the Public Employee Retirement System, collective bargaining for State employees, single-industry taxation, and the intricacies of transferring money between government accounts, to name a few. *Deja vu*, anyone?

With slight editing, many of the old one-sentence descriptions could have come straight from the session just completed. In 1947, for instance, AB 222 provided “more adequate protection to workers against loss of earnings when involuntarily unemployed because of disability not insured under the compensation or industrial insurance acts.”

Governor Vail Pittman squashed AB 222, and his veto was sustained. Most vetoes by Nevada Governors have been sustained. The research division of Legislative Counsel Bureau is working on a comprehensive list. Meanwhile, in the 64 years between Governor E. P. Carville’s administration through the first of the Jim Gibbons sessions, 149 vetoes were issued, with overrides 9 times in one house or the other, and only 6 times by both houses.

That’s where similarities with 2009 end. This session put Governor Gibbons in first place. Gibbons rejected 48 bills. Twenty-five became law “notwithstanding the governor’s objections,” and five more will return to the legislature in 2011. The previous record belonged to Governor H.G. Blasdel, who vetoed 33 bills in 1864, and was overridden 10 times.

Vetoed Bills 1945 - 2009

Governor	Session	Vetoed Bills	Overrides
E.P. CARVILLE	42 nd	11	0
VAIL PITTMAN	43 rd	5	0
	44 th	4	0
CHARLES RUSSELL	45 th	11	0
	46 th	6	0
	47 th	4	0
	48 th	2	0
GRANT SAWYER	49 th	3	0
	50 th	1	0
	51 st	2	0
	52 nd	5	0
	53 rd	7	1
PAUL LAXALT	54 th	5	0
	55 th	5	0
MIKE O’CALLAGHAN	56 th	3	0
	57 th	1	0
	59 th	6	1
ROBERT LIST	60 th	2	0
	61 st	12	3
RICHARD BRYAN	62 nd	2	0
	63 rd	6	0
	64 th	3	0
BOB MILLER	65 th	2	1
	66 th	7	0
	67 th	5	0
	68 th	6	0
	69 th	3	0
KENNY GUINN	70 th	4	0
	71 st	4	0
	73 rd	3	0
JIM GIBBONS	74 th	7	0
	75 th	48	25

Source: Legislative Counsel Bureau Library

Vetoes of Governor Jim Gibbons

Governor Gibbons holds the record, at 48, for the number of bills vetoed. For the 2009 session 25 of the 48 bills vetoed by the Governor were overridden. Seven of the remaining 23 bills were vetoed after the legislative session and will be returned to the 76th Legislature (2011).

In Nevada the Governor has five days to veto a bill, if the Legislature is in session. In that instance the vetoed bill is returned to the house of origin. To override a veto, an affirmative vote of two-thirds of each house must be obtained. If a bill is delivered to the Governor and vetoed, and the Legislature will not be in session to receive the vetoed bill it is returned to the next regular session. The following three pages provide a summary Gibbons vetoes. Vetoes that have been overridden show the vote in each house. To override a veto 27 votes are required in the Assembly and in the Senate 14 votes are required.

Vetoed Bills From the 74th (2007) Session Returned to the 75th (2009) Session

Bill	Description	Reason for Veto	Override/Sustain
AB 396	Comprehensive changes to provisions related to common-interest communities.	Multiple objections, late amendments not subject to hearings.	Sustained
SB 146	Authorizes property tax increases to fund juvenile detention centers.	Tax increase not approved by voters.	Sustained

Vetoed Bills From the 75th (2009) Session

Bill	Description	Reason for Veto	Override/Sustain
AB 22	Creates private right of action for deceptive trade practices.	Shifts burden of proof, and will lead to more litigation.	Sustained
AB 25	Lowers age to receive waiver of DMV test for licensed drivers from other states.	Includes a new fee for administering exam.	Assembly 37-4 Senate 21-0
AB 119	Requires Washoe County regional plan to include provisions for water resources.	Already required of planning entities; local authority is preferable.	No Action Taken by Legislature.
AB 121	Requires hospital staffing committees and imposes staffing reporting requirements.	Would increase costs; staffing should be left to health care professionals.	Assembly 37-5 Senate 21-0
AB 122	Office of Consumer Health Assistance: expands responsibilities.	Not an essential service; recommended for elimination in governor's budget.	Sustained
AB 130	Precludes Clark County from participating in negotiations with Metro Police Department.	Entity responsible for funding agreements should be able to participate.	Reconsideration by 2011 Legislature.
AB 135	Requires review of financial obligations by State Treasurer and Board of Finance.	unnecessary layer of bureaucracy; would impede public-private partnerships.	Sustained
AB 141	Establishes a recovery fund for persons defrauded by mortgage brokers.	Remedies already available; contains new fees not supported by industry.	Sustained
AB 146	Establishes a Statewide electronic business portal.	Doubles State licensing fee.	Assembly 35-7 Senate 17-4
AB 147	Government purchasing: preference to local bidders.	Would raise cost of purchases.	Sustained
AB 246	Establishes apprentice hunting license and "dream tag" lottery, executed by non-profit organization.	Multiple objections related to structure of dream tag program.	Assembly 42-0 Senate 21-0
AB 257	Prohibits taking excessive copies of free publications.	Drain on law enforcement.	Sustained
AB 267	Changes property tax assessment for golf courses.	Targets only one golf course.	Sustained
AB 304	Requires transportation agencies to construct grade separation to open a Las Vegas street.	Cost; would breach approved priority-setting procedures.	Assembly 29-13 Senate 17-4
AB 307	Eliminates requirement for publishing property tax rolls in newspapers.	Would make information unavailable to some citizens.	Sustained
AB 319	Requires school administrators to follow new procedures when holding disciplinary meetings with employees.	Would constrain administrators in their duties.	Sustained
AB 381	Changes provisions favoring alternative dispute resolution.	Would affect existing contracts; would drive up cost of litigation.	Sustained
AB 395	Imposes collective bargaining for State employees.	Would increase the cost of State government.	Reconsideration by 2011 Legislature
AB 410	Allows collective bargaining agreements to supercede state law pertaining to industrial insurance.	Multiple objections; would cause unintended consequences.	Assembly 28-14 Senate 18-3
AB 446	Changes performance measures contained in executive budget.	Legislature disregarded fiscal note provided by administration staff.	Sustained

Bill	Description	Reason for Veto	Override/Sustain
AB 451	Establishes program for investment of State money in reduced-rate certificates of deposit to generate low-interest loans for qualifying small businesses.	Would require the Treasurer to abandon fiduciary responsibilities as an investor of the public money.	Reconsideration by 2011 Legislature.
AB 458	Creates a rainy day fund for K-12 education.	Does not protect other areas of State government.	Sustained
AB 463	Prohibits State agencies from hiring consultants.	Does not apply to all branches; breaches separation of powers.	Assembly 41-0 Senate 21-0
AB 467	Expands prevailing wage to lease-purchase and installment purchase agreements of local governments.	Would drive up costs; labor intensive for staff.	Assembly 28-14 Senate 18-2
AB 473	Imposes requirements with respect to medical treatment of inmates.	Already required by various existing statutes.	No legislative action.
AB 480	Increases fees of State engineer.	New fees.	Assembly 37-4 Senate 21-0
AB 491	Increases protections for a judgment debtor or defendant.	Hampers debt collection for small business; existing law provides protections.	No legislative action.
AB 493	Requires reporting of PERS investments in Iran's petroleum sector.	Contrary to Nevada Constitution.	Assembly 42-0 Senate 21-0
AB 503	Creates an advisory committee to make recommendations for highway funding.	Circumvents legislative process by allowing a small group of legislators to place an initiative on the ballot.	Reconsideration by 2011 Legislature
AB 543	Redirects a portion of Clark and Washoe County property taxes to the General Fund and increases governmental services tax.	Tax increase.	Assembly 33-9 Senate 15-6
AB 552	Increases fee charged by State for collection of local sales and use taxes and decreases allowance to retailer for collection of liquor/tobacco taxes.	Was passed as a temporary measure during December 2008 special session; was to expire June 30, 2009.	Assembly 34-8 Senate 17-4
AB 562	Appropriations bill.	Funded with tax increases.	Assembly 35-7 Senate 17-4
AB 563	Distributive School Account bill.	Funded with tax increases.	Assembly 40-2 Senate 19-2
SB 143	Appropriates \$500,000 for an interim tax study.	Inappropriate spending during this recession.	Reconsideration by 2011 Legislature
SB 195	Multiple provisions related to industrial insurance and workers comp.	Requires use of 5 th edition AMA guide for evaluating impairment, rather than current edition.	Assembly 28-14 Senate 20-1
SB 201	Changes the Washoe County fuel tax index. (Advisory question on 2008 ballot).	Ballot language was unclear; did not specifically ask voters to approve a fuel tax increase.	Assembly 35-6 Senate 20-1
SB 234	Revises fees related to rental cars.	Will make car rental more expensive.	Assembly 34-8 Senate 21-0
SB 283	Provides for registration of domestic partnerships.	Contrary to Nevada Constitution; existing law provides for contractual arrangements.	Assembly 28-14 Senate 14-7
SB 319	Requires health care facilities to report "sentinel events" to HHS.	Would increase litigation.	Assembly 34-8 Senate 18-2
SB 363	Provides that surviving spouses would continue to receive death benefit payments under industrial insurance claims following remarriage	Subverts intention of death benefit payments.	Assembly 28-14 Senate 19-2

Bill	Description	Reason for Veto	Override/Sustain
SB 376	Expands scope of projects considered by Labor Commissioner in setting prevailing wage in each county.	Would increase the cost of county public works projects.	Reconsideration by 2011 Legislature
SB 378	Requires State-funded pre-schools to comply with preschool curriculum standards imposed by Department of Education.	Restricts parental choice; overly broad and blurs line between pre-kindergarten and day care.	Sustained
SB 394	Comprehensive off-highway vehicle bill.	New fees.	Assembly 36-6 Senate 21-0
SB 396	Revises provisions related to internal investigations by law enforcement.	Would inhibit investigations.	Reconsideration by 2011 Legislature
SB 415	Establishes amount to be paid to Public Employees Benefit Program for next biennium.	Disregards recommendations of SAGE Commission	Assembly 38-4 Senate 21-0
SB 431	Spending authorization bill.	Funded with tax increases.	Assembly 37-5 Senate 19-2
SB 429	Tax increase package.	Increases taxes.	Assembly 29-13 Senate 17-4
SB 433	State employee pay bill.	Funded with tax increases.	Assembly 38-4 Senate 18-3

Catching Up

Eleventh Annual Cashman Good Government Awards: Nominees Buck the “Wasteful Government” Stereotype

Tim Cashman, a member of the family in whose honor the Award is named, made the presentation at the NTA dinner in Carson City on February 25.

And the winner is...

Business and Finance Unit, UNLV Facilities Management Department

Harold Archibald, accepted the honor for the Department. The program savings have reached \$11 million since 2001, and the accomplishments include maintaining a constant energy consumption rate despite increases in staff and larger facilities. A recycling program generates money and reinvests it, reducing the necessity for State funds. Energy-efficient equipment and lighting systems have boosted the savings, as have new maintenance techniques.

The two other finalists were...

Christine Wood, Health Program Specialist 2, State of Nevada Health Division.

Chris Wood has attracted sufficient grant funding to build a nationally-recognized oral health program. Her program serves as a health division model when CDC grants are sought. Meanwhile, Wood has put the money to good use expanding dental services to Nevada children who might not otherwise get them.

The City of Las Vegas “Celebrate” Program

Celebrate is an program to make city operations more efficient, and notably, the Celebrate program has no budget. The no-budget approach was deliberate, so that it would never be cut during lean times. City employees call Celebrate a “grass roots” effort. It comes from the bottom up, run by volunteer committees in each of thirteen city departments who contribute ideas for efficiency. The program has become part of the employee culture, according to one of the volunteers. Savings has been estimated at \$200,000 per year.

CATCHING UP CONTINUED

NTA Board Meeting: February 25, 2009 at the Carson Nugget

Shortly after the legislative session convened, NTA board members gathered in Carson City for their annual meeting. Besides garden-variety board business – a financial review and election of new officers – board members ratified a new employee handbook and a succession plan.

NTA President Carole Vilardo gave an update on membership. The organization is no less bedeviled by economic upheaval than the businesses making up its membership. Several members had been unable to renew, and several more teetered on the brink of bankruptcy.

The group also discussed expectations for the legislative session, mulling both reports and rumors about legislative tax proposals that are now well-known to have succeeded, failed or never gotten off the ground.

Many board members spent the afternoon in the halls of the legislature before attending the NTA Biennial Legislative Dinner.

NTA Biennial Legislative Dinner

Over 300 members, Legislators and guests attended this year's dinner, where SAGE Commission Chairman Bruce James was the keynote speaker, and the Cashman Good Government Award was presented. (See "Cashman" page 10.)

James who retired as the United States Printer, appointed by President George W. Bush, after totally turning the Printing Office into a state-of-the-art facility and saving money for the federal government while doing so. He was tapped by Governor Gibbons to Chair the SAGE Commission, which the Governor charged with making recommendations to streamline State government and save money.

James explained how the Commission was operating and the process that was being used to develop the recommendations. He also reviewed the recommendations that had been submitted to the Governor to date and those that would be presented as legislation to the Governor.

NTA Officers and Directors for 2009

Officers elected during the board meeting were:

Chairman of the Board – Barbara Smith Campbell
 First Vice Chairman – Tito Tiberti
 Second Vice Chairman – Jack Stanko
 Secretary - Vacant
 Treasurer – David Turner

The results of the board election was announced. Re-elected to the board were: Michael J. Brown - Barrick Gold Corporation, Fred D. Gibson, Jr. - retired, Terry K. Graves - the Graves Company, M. Kent (Tim) Hafen - Tim Hafen Ranches, Inc., Karen Haller - Southwest Gas Corporation, Wes Lujan - Union Pacific Railroad, Ann Lynch - Sunrise Hospital & Children's Hospital, David Turner - Turner, Loy & Company, LLC, and Darren L. Wilson - Sierra Air Conditioning Inc. Newly elected to the board was William (Bill) McKean - Lionel Sawyer & Collins.

They join current board members Mike Benjamin - Benjamin Enterprises, Larry W. Bennett - Larry W. Bennett & Associates, Sharon R. Byram, Esq. - Newmont Mining Corporation, Timothy (Tim) Cashman - The Cashman Companies, Margaret Cavin - J&J Mechanical Inc. T.J. Day - Dacole Company - Jim Dickey - Western Nevada Supply, John Gianoli - First National Bank of Ely, John R. Gibson - American Pacific Corporation, Amy Hill - Wal-Mart Stores, Steve Hill - CalPortland Company, Jay Kornmayer - Wells Fargo, Howard A. (Hal) Lenox, Jr. - AT&T, Robert List - The Robert List Company, Anne MacFarlane - ArcForm Group, Kristin McMillan - Enbarq, Berlyn Miller - Berlyn Miller & Associates, Monte Miller - KeyState Corporate Management, Ann O'Connell - Retired, Keith Pierce - Grant Thornton LLP, Dean Rhoads - Senator/Rancher, Tony F. Sanchez III - NV Energy, Thomas R. Sheets Esq., Michael Sheppard - Michael Clay Corporation, George W. Smith - Bank of America, Jack Stanko - Champion Chevrolet, Scott Swain - McDonald Carano Wilson, LLP, and Tito Tiberti - J.A. Tiberti Construction Co., Inc.

PLEASE UPDATE YOUR CONTACT INFORMATION

Help us reduce our costs by providing us with your current contact information. In order to receive NTA publications in a timely manner (via email) we encourage you to provide us with your email address. Please remember to include Nevada Taxpayers Association in your address book, so the Association's emails are not blocked. Please complete the following form and return it to:

Nevada Taxpayers Association
2303 E. Sahara Ave., Ste 203
Las Vegas, NV 89104

You can also email your current information to info@nevadataxpayers.org.



Name

Title

Company

City, State, Zip

Phone

Email

Thank-you for taking the time to respond to this request

TAXTOPICS

is a publication of the
Nevada Taxpayers Association

Reproduction in any format is not permitted without permission. All rights reserved.
