

CHAPTER.....

AN ACT relating to state financial administration; temporarily extending the allocation of a portion of the proceeds of the basic governmental services tax to the State General Fund; transferring certain commissions collected and penalties retained by the Department of Motor Vehicles with respect to the governmental services tax during Fiscal Year 2014-2015; temporarily increasing for Fiscal Year 2014-2015 the limitation on the percentage of the proceeds of certain fees and charges collected by the Department of Motor Vehicles that are authorized for the Department's costs of administration associated with the collection of those fees and charges; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

The State of Nevada imposes a governmental services tax for the privilege of operating any vehicle upon the public highways of this State. (NRS 371.030) The annual amount of the basic governmental services tax is 4 cents on each \$1 of valuation of the vehicle, as determined by the Department of Motor Vehicles. (NRS 371.040) Existing law sets forth depreciation schedules for determining the amount of the basic governmental services tax due each year for used vehicles and establishes a minimum tax. (NRS 371.060) In 2009, the amount of the basic governmental services tax due annually was increased for used vehicles by reducing the amount of depreciation allowed and increasing the minimum tax. The revenue from these increases in the basic governmental services tax were allocated to the State General Fund until June 30, 2013, and then were required to be deposited in the State Highway Fund thereafter. (Chapter 395, Statutes of Nevada 2009, p. 2188) **Section 1** of this bill extends for an additional 2 years the period during which the increases in the basic governmental services tax are allocated to the State General Fund. Therefore, those increases will be deposited in the State Highway Fund commencing on July 1, 2015.

Under existing law, the Department of Motor Vehicles is authorized to retain a commission of 1 percent of the revenue of the governmental services tax collected by the county assessors and 6 percent of all other revenue from the governmental services tax received by the Department. (NRS 482.180) The Department is also authorized under existing law to retain any penalties collected for delinquent payment of the governmental services tax. (NRS 371.140) **Section 2** of this bill transfers those commissions collected and penalties retained by the Department during Fiscal Year 2014-2015 to the State General Fund for unrestricted use.

Under existing law, all the proceeds from the imposition of any license or registration fee and other charge regarding the operation of a motor vehicle on any public highway, road or street in Nevada, except costs of administering the collection thereof, is required to be used exclusively for the construction, maintenance and repair of the State's public highways, roads and streets. (Nev. Const. Art. 9, § 5; NRS 408.235) Existing law limits the amount of such proceeds that are authorized to be used as costs of administration to 22 percent of the proceeds collected. (NRS 408.235) **Section 3** of this bill temporarily increases this limitation on costs of administration to 32 percent during Fiscal Year 2014-2015.



---

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

**Section 1.** Section 20 of chapter 395, Statutes of Nevada 2009, as amended by chapter 476, Statutes of Nevada 2011, at page 2897, is hereby amended to read as follows:

Sec. 10.7. Section 20 of chapter 395, Statutes of Nevada 2009, at page 2199, is hereby amended to read as follows:

Sec. 20. 1. This section and section 19 of this act become effective upon passage and approval.

2. Sections 1 and 2 of this act become effective on July 1, 2009.

3. Section 3 of this act becomes effective on July 1, 2009, and expires by limitation on June 30, 2011.

4. Sections 6 to 12, inclusive, of this act become effective on July 1, 2009, and expire by limitation on June 30, 2013.

5. Sections 4, 5, 13, 14, 15, 16, 17 and 18 of this act become effective:

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

(b) On September 1, 2009, for all other purposes.

6. Sections 15.5 and 18.5 of this act become effective on July 1, ~~2013.~~ *2015.*

7. Section 18 of this act expires by limitation on June 30, ~~2013.~~ *2015.*

**Sec. 2.** The State Controller shall, as soon as practicable in Fiscal Year 2014-2015:

1. Notwithstanding the provisions of NRS 482.180, transfer the commissions collected by the Department of Motor Vehicles pursuant to subsection 6 of NRS 482.180 in an amount not to exceed \$20,813,716 in Fiscal Year 2014-2015 to the State General Fund for unrestricted State General Fund use.

2. Notwithstanding the provisions of NRS 371.140, transfer the penalties retained by the Department of Motor Vehicles pursuant to subsection 1 of NRS 371.140 in an amount not to exceed \$4,097,964 in Fiscal Year 2014-2015 to the State General Fund for unrestricted State General Fund use.

**Sec. 3.** Notwithstanding the provisions of NRS 408.235, the costs of administration of the Department of Motor Vehicles for



Fiscal Year 2014-2015 for the collection of the proceeds for any license or registration fees and other charges with respect to the operation of any motor vehicle must be limited to a sum not to exceed 32 percent of the total proceeds so collected.

**Sec. 4.** 1. This section and section 1 of this act become effective upon passage and approval.

2. Sections 2 and 3 of this act become effective on July 1, 2013.

