

SENATE BILL NO. 316—SENATOR SEGERBLOM

MARCH 17, 2017

Referred to Committee on Government Affairs

SUMMARY—Authorizing an additional tax on the gross receipts from the rental of transient lodging in certain counties. (BDR 20-443)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: No.

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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 imposition of an additional tax on the gross receipts from the rental of transient lodging in certain counties for the support of capital projects of the county school district; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires the board of trustees of each school district to establish a  
2 fund for capital projects, which may be used to issue general obligation bonds to  
3 raise money for certain purposes relating to schools, including school construction  
4 and repair. (NRS 387.328, 387.335) **Section 1** of this bill authorizes the board of  
5 county commissioners of a county whose population is 700,000 or more (currently  
6 Clark County) to impose an additional tax on the gross receipts from the rental of  
7 transient lodging throughout the county in the amount of 2 percent for deposit into  
8 the county school district’s fund for capital projects. **Sections 2-4** of this bill make  
9 conforming changes.

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

1 **Section 1.** Chapter 244 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *1. In a county whose population is 700,000 or more, the*  
4 *board of county commissioners may by ordinance impose a tax at*  
5 *a rate of 2 percent of the gross receipts from the rental of transient*  
6 *lodging in that county. The tax must be imposed throughout the*  
7 *county, including its incorporated cities, upon all persons in the*



1 *business of providing lodging. The ordinance imposing the tax*  
2 *must include a schedule for the payment of the tax.*

3 *2. The ordinance imposing the tax must include all the*  
4 *matters required by NRS 244.3352 for the mandatory tax, must be*  
5 *administered in the same manner and imposes the same liabilities,*  
6 *except the governmental entity collecting the tax shall transfer all*  
7 *collections to the county and may not retain any part of the tax as*  
8 *a collection or administrative fee.*

9 *3. The proceeds of the tax imposed pursuant to this section*  
10 *and any applicable penalty or interest must be transmitted to the*  
11 *county treasurer for deposit in the county school district's fund for*  
12 *capital projects established pursuant to NRS 387.328, to be held*  
13 *and expended in the same manner as other money deposited in*  
14 *that fund.*

15 **Sec. 2.** NRS 244.3359 is hereby amended to read as follows:

16 244.3359 1. A county whose population is 700,000 or more  
17 shall not impose a new tax on the rental of transient lodging or  
18 increase the rate of an existing tax on the rental of transient lodging  
19 after March 25, 1991, except pursuant to NRS 244.3351, 244.3352  
20 and 244.33561 **H** *and section 1 of this act.*

21 2. A county whose population is 100,000 or more but less than  
22 700,000 shall not impose a new tax on the rental of transient lodging  
23 or increase the rate of an existing tax on the rental of transient  
24 lodging after March 25, 1991, except pursuant to NRS 244.33561  
25 and 244A.910.

26 3. Except as otherwise provided in subsection 2 and NRS  
27 387.191 and 387.193, the Legislature hereby declares that the  
28 limitation imposed by subsection 2 will not be repealed or amended  
29 except to allow the imposition of an increase in such a tax for the  
30 promotion of tourism or for the construction or operation of tourism  
31 facilities by a convention and visitors authority.

32 **Sec. 3.** NRS 244.3525 is hereby amended to read as follows:

33 244.3525 1. The chair or clerk of the board of county  
34 commissioners to enforce NRS 244.331 to 244.3345, inclusive, and  
35 244.335 to 244.340, inclusive, *and section 1 of this act*, the chair or  
36 clerk of the license board of the county to enforce NRS 244.345 and  
37 the chair or clerk of the liquor board of the county to enforce NRS  
38 244.350, 244.3501 and 244.351 may:

39 (a) Administer oaths and require testimony under oath;

40 (b) Pay witnesses a reasonable allowance for travel and  
41 subsistence; and

42 (c) Appoint hearing officers who may administer oaths and  
43 receive testimony given under oath.

44 2. Each hearing officer appointed pursuant to paragraph (c) of  
45 subsection 1 must be a resident of this State who is a graduate of:



- 1 (a) An accredited law school; or
- 2 (b) An accredited 4-year college and has at least 5 years'
- 3 experience in public administration,
- 4 and who has completed a course of instruction in administrative
- 5 law, relating to the provisions of this chapter, offered by the office
- 6 of the district attorney for the county. This course must consist of at
- 7 least 4 hours of instruction in a classroom.

8 3. Any notice given by the board must be served in the manner

9 required for civil actions.

10 **Sec. 4.** NRS 387.328 is hereby amended to read as follows:

11 387.328 1. The board of trustees of each school district shall

12 establish a fund for capital projects for the purposes set forth in

13 subsection 1 of NRS 387.335. The money in the fund for capital

14 projects may be transferred to the debt service fund to pay the cost

15 of the school district's debt service.

16 2. The board of trustees may accumulate money in the fund for

17 capital projects for a period not to exceed 20 years.

18 3. That portion of the governmental services tax whose

19 allocation to the school district pursuant to NRS 482.181 is based on

20 the amount of the property tax levy attributable to its debt service

21 must be deposited in the county treasury to the credit of the fund

22 established under subsection 1 or the school district's debt service

23 fund.

24 4. No money in the fund for capital projects at the end of the

25 fiscal year may revert to the county school district fund, nor may the

26 money be a surplus for any other purpose than those specified in

27 subsection 1.

28 5. The proceeds of the taxes deposited in the fund for capital

29 projects pursuant to NRS 244.3354, 268.0962, 375.070, 377C.110

30 and 387.3288 *and section 1 of this act* and, in a county whose

31 population is 100,000 or more but less than 700,000, the portion of

32 the governmental services tax whose allocation to the school district

33 pursuant to NRS 482.181 is based on the amount of the property tax

34 levy attributable to its debt service may be pledged to the payment

35 of the principal and interest on bonds or other obligations issued for

36 one or more of the purposes set forth in NRS 387.335. The proceeds

37 of such taxes so pledged may be treated as pledged revenues for the

38 purposes of subsection 3 of NRS 350.020, and the board of trustees

39 of a school district may issue bonds for those purposes in

40 accordance with the provisions of chapter 350 of NRS.

41 **Sec. 5.** This act becomes effective on July 1, 2017.

