

PRESENT: Chairman Norman Glaser
Vice-Chairman Floyd Lamb
Senator Carl Dodge
Senator James Kosinski
Senator Mike Sloan
Senator Don Ashworth
Senator William Raggio
Mr. Ed Shorr,
Fiscal Analyst

GUESTS: Mr. Gene Phelps, Business Manager, Highway Department
Mr. Virgil Anderson, Calif. State Auto Association
Mr. Bob Guinn, Nv. Auto Franchised Dealer's Association
Assemblyman Robert Price
Assemblyman Robert Craddock
Assemblyman Lon Chaney
Assemblyman Steve Coulter
Assemblyman Joe Dini
Assemblyman Lloyd Mann
Assemblyman Louis Bergevin
Assemblyman John Marvel
Assemblyman Robert Rusk
Assemblyman Darrell Tanner
Assemblyman Robert Weise

The meeting was called to order at 2:05 p.m. on Tuesday, April 10, 1979, in Room 213, with Senator Norman Glaser in the Chair.

S.B. 419 - Exhibit "A"

Senator Dodge stated that the Governor had stated to him that he was against an outright enactment by the legislature, to increase the tax on fuel. The Governor said to Senator Dodge that he would consider a bill that requires a referendum by the citizens.

Mr. Gene Phelps, Business Manager of the Highway Department, said that Highway is going about one-third of what their "needs study" indicates should be done in maintenance contracts. Mr. Phelps said that this would be Highway's first priority in the use of any increase in the fuel tax, to expand the number of maintenance contracts.

Senator Don Ashworth asked how the counties handle the upkeep of their roads? Mr. Phelps said that most of the gas in the State is sold with 8¢ gas tax, with 3.5¢ going to local governments; the optional 1¢ or 2¢ being used only for construction. Mr. Phelps there is a two-level structure with a 1/2¢, which is currently imposed by all the counties, which goes only to the counties for maintenance; and then there is an additional 1¢ that all counties have imposed that is shared between the county and the cities of that county on a ratio of assessed valuation.

Senate Committee on _____
Date: Tuesday, April 10, 1979Page: TwoS.B. 419 (Cont.)

Senator Don Ashworth said that in discussing highways with his constituents, he has heard that many citizens do not care about the roads in the counties because of the 55 m.p.h. restriction which requires more cautious driving. However, Senator Ashworth, commented that if roads are allowed to continue to deteriorate, it will cost more in the long run to bring them back up to standard condition. Mr. Phelps said that the state is responsible for approximately 5700 road miles of highways, and some of them are between 30 and 40 years old.

Mr. Phelps said to Chairman Glaser that the additional 2¢, as proposed in S.B. 419, would bring in approximately \$10 million per year, over and above the regular revenue.

Senator Sloan asked how much revenue would be produced by the tax on special fuel? This year, Mr. Phelps said, the special fuel tax will produce \$4.5 million; and if the 2¢ increase occurs, another \$1.6 million will evolve. Mr. Phelps said that gasoline taxes will net approximately \$22.9 million this year to the Highway Fund, (as stated above, the additional proposed 2¢ will increase this by \$10 million).

Senator Kosinski asked what percentage of the identified highway needs have been met in the past? Mr. Phelps answered that prior to 1973-74, they met 95% of the needs.

Mr. Phelps said to Senator Kosinski that for the current year, it takes approximately \$3.9 million to match all the federal construction funds available.

Senator Dodge asked if the Highway Department could function if they received the Governor's proposed appropriation of \$10 million? Mr. Phelps said yes they could, "recognizing that there would be deteriorating roads during that period."

Senator Dodge asked Mr. Virgil Anderson what he thought about the Governor's statement that he would not sign any legislation regarding the increase on fuel tax, unless it included a referendum by the public? Mr. Anderson said that considering the tax package that may be on the ballot, an increase in the fuel tax would probably generate a "no" vote. Senator Don Ashworth said that he didn't think the people would "stand for it". Senator Sloan said that the public will have to understand that if they want better roads, they will have to pay for them. When asked by Senator Dodge, Mr. Bob Guinn said that he didn't think a ballot to increase the tax on fuel would "fly"; and he added that if the question did fail, the next legislative session would have greater difficulty

S.B. 419 (Cont.)

reviving the issue.

The Committee discussed this further, with most of the members deciding that this issue had to be met this session.

Mr. Phelps asked that the bill be amended, if considered for passage to delete Sections 2 through 5 on Page 2, Lines 8 through 47. Mr. Phelps said that he felt this language was not necessary for administration of the fuel tax.

Senator Sloan moved that Senate Bill No. 419 be amended to include provisions for referendum, and the deletion of Sections 2 through 5 on Page Two.

Senator Don Ashworth seconded the motion.

Senator Kosinski moved to amend the above motion to include all that was previously stated, as well as, requiring zero-base budgeting.

Discussion:

Senator Raggio said that he will vote "no" on S.B. 419 if it includes a provision for referendum, because he feels it would be a "futile" effort.

The original motion did not carry, with Senators Raggio, Lamb, Dodge and Kosinski voting "No".

Senator Kosinski moved his amended motion as previously stated and "Do Pass" on Senate Bill No. 419. (Includes provisions for referendum, deletion of Sections 2 through 5 on Page Two, and the requirement of zero-base budgeting)

Senator Don Ashworth seconded the motion.

The motion carried, with Senators Raggio, Lamb and Dodge voting "No".

S.J.R. 19 - Exhibit "B"

Senator Raggio moved to "Do Pass" Senate Joint Resolution No. 19.

Senator Lamb seconded the motion.

The motion carried.

A.B. 616

"Fixes statutory limits on state budget on expenditures by local governments and on general tax rate."

Chairman Glaser said that he would like to have Assembly Bill No. 616 amended to include the provisions of Senate Bill No. 204, and then when the Assembly did not concur with the amendments, the bill could be sent to conference.

Senator Raggio said that he felt that joint hearings as had been previously scheduled for this date could greatly benefit the Committees. Senator Raggio also felt that a conference meeting was not equitable because it only allowed three people to participate, rather than the entire Committee. Senator Kosinski concurred with Senator Raggio's comments about having all the members of the Committee having input to the discussion.

Senator Lamb moved to process amendments for Assembly Bill No. 616 to concur with Senate Bill No. 204, and proceed into conference.

Senator Sloan seconded the motion.

The motion carried, with Senators Raggio and Dodge voting "No".

Chairman Glaser asked Mr. Ed Shorr to proceed through his handout (Exhibit "C"), in order to explain the comparison of S.B. 204 and A.B. 616. Senator Floyd Lamb asked to be excused to attend a Senate Finance hearing at 3:00 p.m.

Mr. Shorr began his explanation, however at 3:25 p.m., the Assembly Taxation Committee entered the room and Assembly Chairman Robert Price made the following statement:

"I hope your Committee will forgive our uninvited intrusion,

without any given notice. Our purpose is that we want to be clear about our feelings towards resolving the tax issue from this point. We had previously scheduled, as we all know, an informal meeting between the two Committees that should have been occurring right now, and it had been our hope that perhaps we could get some issues knocked out of the way. It was indicated a few minutes ago that there may have been some statements made in your meeting that might tend to indicate that we had wanted to cancel that particular meeting, and I wanted to make sure that you knew that was not the case. I understand the procedure for getting to conference committees, but we feel that if the spirit of both committees was to resolve as many issues as quickly as possible, there would be a benefit to sitting down together and going over the two packages...we will not refuse your invitation as we have in the past. The only reason we did this in the past is because we did not have our bill out yet."


Senator Don Ashworth said that Chairman Glaser did explain that the Assembly Taxation Committee was willing to meet. Senator Raggio said to Assemblyman Price, "You just gave the speech that I made fifteen minutes ago. I for one thought we were going to have a joint meeting, and I still feel that we are all adult legislators, and these two measures could be discussed between us, and a good deal of input could help us decide...." Senator Dodge said that he also voted "no" on processing the Assembly bill without joint hearings.


Assemblyman Robert Craddock said, "Even though there has never been a precedent for this type of meeting, I submit to you that there has never been a bill of this magnitude before the house in either case...."

Assemblyman Lloyd Mann said that he would request that the Senate Taxation Committee reconsider their action on A.B. 616, and "sit down informally, and get this show on the road."

The Committees decided to meet this same date at 4:00 p.m. to 5:00 p.m., and then reconvene at 8:00 p.m., until they wished to adjourn.

There being no further business in this hearing, the meeting adjourned until the Joint Hearing at 4:00 p.m.


Respectfully Submitted By:
Sheba L. Frost, Secretary


Approved By: Senator Norman Glaser,
Chairman

SENATE BILL NO. 419**S. B. 419****SENATE BILL NO. 419—COMMITTEE ON TAXATION**

APRIL 4, 1979

Referred to Committee on Taxation

SUMMARY—Increases tax on motor vehicle fuel and on special fuels and requires a separate detailed budget for certain departments. (BDR 32-1264)**FISCAL NOTE:** Effect on Local Government: No.
Effect on the State or on Industrial Insurance: Yes.**EXPLANATION**—Matter in *italics* is new; matter in brackets [] is material to be omitted.

AN ACT relating to state financial administration; increasing the tax on motor vehicle fuel and on special fuels; requiring a separate detailed budget for the department of highways and the department of motor vehicles; and providing other matters properly relating thereto.

The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:

- 1 SECTION 1. NRS 365.170 is hereby amended to read as follows:
 2 365.170 1. In addition to any other taxes provided by law, every
 3 dealer shall, not later than the 25th day of each calendar month:
 4 (a) Render to the department a statement of all motor vehicle fuel
 5 sold, distributed or used by him in the State of Nevada, as well as all
 6 motor vehicle fuel sold, distributed or used in this state by a purchaser
 7 thereof upon which sale, distribution or use the dealer has assumed
 8 liability for the tax thereon under NRS 365.020, during the preceding
 9 calendar month; and
 10 (b) Pay an excise tax of [4.5] 6.5 cents per gallon on all motor
 11 vehicle fuel so sold, distributed or used, in the manner and within the
 12 time prescribed in this chapter.
 13 2. The department for good cause may extend for not to exceed 30
 14 days the time for making any report or return required under this chapter.
 15 The extension may be granted at any time if:
 16 (a) A request [therefor] for it has been filed with the department
 17 within or [prior to] before the period for which the extension may be
 18 granted; and
 19 (b) A remittance of the estimated tax is made when due.
 20 Any dealer to whom an extension is granted shall pay, in addition to any
 21 delinquent tax due, interest at the rate of one-half of 1 percent per
 22 month, or fraction thereof, from the date on which the tax would have
 23 been due without the extension to the date of payment.
 24 3. Any report, return, remittance to cover a payment or claim for
 25 credit or refund required by this chapter which is transmitted through
 26 the United States mail shall be deemed filed or received by the depart-
 27 ment on the date shown by the post office cancellation mark stamped

SENATE JOINT RESOLUTION NO. 19**S. J. R. 19****SENATE JOINT RESOLUTION NO. 19—COMMITTEE
ON TAXATION**

APRIL 4, 1979

Referred to Committee on Taxation

SUMMARY—Proposes constitutional amendment to permit exemption from property tax for conservation of energy by using nonfossil resources. (BDR C-2052)

EXPLANATION—Matter in *italics* is new; matter in brackets [] is material to be omitted.

SENATE JOINT RESOLUTION—Proposing to amend section 1 of article 10 of the Nevada constitution by permitting an exemption from property tax for the conservation of energy by using nonfossil resources.

- 1 *Resolved by the Senate and Assembly of the State of Nevada, jointly,*
 2 That section 1 of article 10 of the constitution of the State of Nevada
 3 be amended to read as follows:
 4 Section 1. The legislature shall provide by law for a uniform and
 5 equal rate of assessment and taxation, and shall prescribe such regula-
 6 tions as shall secure a just valuation for taxation of all property, real,
 7 personal and possessory, except mines and mining claims, when not
 8 patented, the proceeds alone of which shall be assessed and taxed, and
 9 when patented, each patented mine shall be assessed at not less than
 10 five hundred dollars (\$500), except when one hundred dollars (\$100)
 11 in labor has been actually performed on such patented mine during the
 12 year, in addition to the tax upon the net proceeds; shares of stock
 13 (except shares of stock in banking corporations), bonds, mortgages,
 14 notes, bank deposits, book accounts and credits, and securities and choses
 15 in action of like character are deemed to represent interest in property
 16 already assessed and taxed, either in Nevada or elsewhere, and shall
 17 be exempt. [Notwithstanding the provisions of this section, the] *The*
 18 legislature may constitute agricultural and open-space real property hav-
 19 ing a greater value for another use than that for which it is being used,
 20 as a separate class for taxation purposes and may provide a separate
 21 uniform plan for appraisal and valuation of such property for assess-
 22 ment purposes. If such plan is provided, the legislature shall also pro-
 23 vide for retroactive assessment for a period of not less than 7 years when
 24 agricultural and open-space real property is converted to a higher use
 25 conforming to the use for which other nearby property is used. Personal
 26 property which is moving in interstate commerce through or over the
 27 territory of the State of Nevada, or which was consigned to a warehouse,
 28 public or private, within the State of Nevada from outside the State of

MAJOR TAX REFORMComparison of Senate & Assembly Version

A.B. 58 & 616

S.B. 204

Major Tax Relief:Major Tax Relief:

- . Across-the-Board
- . Rate Reduction \$1.36
 - State 25¢
 - Medicaid 11¢
 - Schools \$1.00
- . Maximum allowable rate \$3.64
- . Trigger additional relief
- . Food tax exemption
- . Sales tax administrative provisions
- . Household property exemption
- . Total potential tax relief w/trigger - \$241 million
- . State cost - \$226 million
- . Local cost - \$15 million
- . Self-destruct if Question 6 passes
- . Remaining 50¢ school levy to be optional

- . Directed Relief and Across-the-Board
- . Rate Reduction 36¢
 - State 25¢
 - Medicaid 11¢
 - Homeowners Allowance \$1.18
 - Rent Rebata 4.9¢
- . Maximum allowable rate \$4.64
- . Trigger additional relief
- . De-trigger if revenues are low
- . Food tax exemption
- . Sales tax administrative provisions
- . Household property exemption
- . Total potential tax relief w/trigger - \$224 million
- . State cost - \$209 million
- . Local cost - \$15 million
- . Self-destruct if Question 6 passes

Expenditure Limits:Expenditure Limits:

- . Limits State Budget - Governor's request except Highway Fund
- . Limit local expenditures
 - Base: 1978-79 Budget
 - CPI: 80 % 5-year average
 - Population: Governor's 1977-78
 - Enrollments: Dept. of Education 1978-79
- . Population appeal process
- . Allows levy to include ending balance
- . Override to protect life & property
- . Override 2/3 vote of people (expires after 2 years)
- . All funds receiving property tax except debt

- . Limits State Budget - Governor's request except Highway Fund
- . Limit local expenditures (except schools)
 - Base: 1977-78 expenditure
 - CPI: 100%
 - Population: Governor's 1977-78
- . Limit schools 80¢ levy.
 - Base: 3-year average 1975-78
 - CPI: 100%
 - Enrollments: 1977-78
- . Override to protect life & property
- . Override majority vote of people (expires after 2 years)
- . All funds receiving any tax except debt, enterprise, service, trust, capital construction funds

Comparison of State Costs

1979-81 Biennium

<u>State Cost:</u>	<u>A.B. 616</u>	<u>State Cost:</u>	<u>S.B. 204</u>
Food Tax	\$ 44,500,000	Food Tax	\$ 44,500,000
State 11¢	13,344,000	State 11¢	13,344,000
State 25¢	30,760,000	State 25¢	30,760,000
Schools \$1.00	125,547,000	Rebates	106,500,000
Basic Cost	<u>\$214,151,000</u>		<u>\$195,104,000</u>
Trigger	<u>12,200,000</u>	Trigger	<u>13,500,000</u>
Total Potential Cost	<u>\$226,351,000</u>	Total Potential Cost	<u>\$208,604,000</u>
<u>Local Cost:</u>			
Food Tax	\$ 7,500,000	Food Tax	\$ 7,500,000
Household Property	<u>7,400,000</u>	Household Property	<u>7,400,000</u>
Total Local Cost:	<u>\$ 14,900,000</u>		<u>\$ 14,900,000</u>
Total Tax Relief	<u>\$241,251,000</u>		<u>\$223,504,000</u>

ASSEMBLY TAXATION COMMITTEE
EXPENDITURE LIMITATION ESTIMATES

<u>Entity</u>	<u>FY 1979-80¹</u> <u>Budget Limit</u>	<u>Increase from²</u> <u>FY 1978-79</u>	<u>FY 1979-80³</u> <u>Tentative Budget</u>	<u>FY 1979-80⁴</u> <u>Decrease</u>	<u>FY 1979-80⁵</u> <u>% Decrease</u>
Carson City	\$ 11,498,966	\$ 1,998,695	\$ 9,782,556	-0-	-
Churchill County	3,163,142	317,974	3,306,570	143,428	4.3%
Fallon	1,367,756	129,372	1,476,094	108,338	7.3
Clark County	86,389,365	9,354,385	87,911,299	1,521,934	1.7
Boulder City	2,316,611	269,739	2,524,752	208,141	8.2
Henderson	5,883,358	619,214	6,157,706	274,348	4.5
Las Vegas	50,458,173	5,989,278	48,726,250	-0-	-
North Las Vegas	10,164,347	1,005,827	10,570,863	406,516	3.8
Douglas County	5,810,583	791,983	5,702,538	-0-	-
Elko County	3,639,662	209,124	4,007,300	367,638	9.2
Carlin	349,804	28,066	377,450	27,646	7.3
Elko	2,317,306	199,758	2,424,115	106,809	4.4
Wells	331,506	21,972	332,225	719	.2
Esmeralda County	852,705	48,130	969,659	116,954	12.1
Eureka County	1,562,393	176,228	1,577,210	14,817	.9
Humboldt County	3,695,470	399,085	3,551,144	-0-	-
Winnemucca	1,261,172	139,839	1,357,330	96,158	7.1
Lander County	1,822,215	136,289	2,284,222	462,007	20.2
Lincoln County	1,355,713	139,935	1,555,074	199,361	12.8
Caliente	131,930	5,623	142,343	10,413	7.3
Lyon County	4,437,676	732,287	4,555,507	117,831	2.6
Yerington	503,101	15,737	584,657	81,556	13.9
Mineral County	2,813,630	383,286	2,261,210	-0-	-
County	4,687,555	471,981	5,228,443	540,888	11.5
Cobden	100,495	16,098	165,382	-0-	-

<u>Entity</u>	<u>FY 1979-80¹ Budget Limit</u>	<u>Increase from² FY 1978-79</u>	<u>FY 1979-80³ Tentative Budget</u>	<u>FY 1979-80⁴ Decrease</u>	<u>FY 1979-80⁵ % Decrease</u>
Pershing County	1,715,452	151,643	1,591,012	-0-	-
Loveloek	317,159	28,941	365,056	47,897	13.1%
Storey County	879,071	95,004	952,745	73,674	7.7
Washoe County	45,912,945	7,876,746	48,190,941	2,277,996	4.7
Reno	35,073,875	3,964,502	40,449,454	5,375,579	13.3
Sparks	11,018,516	1,227,468	11,909,595	891,079	7.5
White Pine County	3,166,611	306,080	4,467,597	1,300,986	29.1
Ely	798,138	12,531	990,000	191,862	19.4
<u>Totals</u>	<u>\$305,886,401</u>	<u>\$37,262,823</u>	<u>\$316,448,299</u>	<u>\$14,964,575</u>	
		12.5%		4.7%	

Note: Expenditure Limit uses 1978-79 Budgeted expenditures as the base with increases allowed for population and inflation. Population increase is from 1977 to 1978 as prepared by the State Planning Coordinator. Inflation increase is 80% of the last five year average of the CPI.

(Nov. 1973 = 137.6, Nov. 1978 = 202.0 = 9.36% X 80% = 7.48%).

Footnotes:

1. 1979-80 Budget Limit is expenditure limitation plus a 3% to 5% ending balance.
2. Increase from FY 1978-79 is the amount of expenditure increase provided over 1978-79 budgeted expenditures before allowance for ending balance.
3. FY 1979-80 Tentative Budget is total budget filed with Department of Taxation on Feb. 20, 1979.
4. Decrease Required is adjustment of tentative budget.

SENATE TAXATION COMMITTEEEXPENDITURE LIMITATION ESTIMATES

<u>Entity</u>	<u>FY 1979-80¹ Budget Limit</u>	<u>Increase From² FY 1978-79</u>	<u>FY 1979-80³ Tentative Budget</u>	<u>FY 1979-80⁴ Decrease</u>	<u>FY 1979-80 Percent Decrease</u>
Carson City	\$ 9,794,234	\$ 628,884	\$ 9,311,015	\$ -0-	-
Churchill County	2,730,208	(405,914)	3,509,570	779,362	22.2
Fallon	1,323,665	150,412	1,380,303	56,638	4.1
Clark County	126,171,848	9,991,177	126,488,218	316,370	.3
Boulder City	2,195,006	258,448	2,236,952	41,946	1.9
Henderson	5,507,584	523,599	5,741,317	233,733	4.1
Las Vegas	48,931,914	5,932,674	47,827,994	-0-	-
North Las Vegas	10,143,732	1,281,261	10,383,792	240,060	2.3
Douglas County	4,837,534	279,988	5,582,416	744,882	13.3
Elko County	3,548,636	147,845	3,647,064	98,428	2.7
Carlin	350,732	45,651	341,550	-0-	-
Elko	2,130,462	123,262	2,180,480	50,018	2.3
Wells	474,771	82,023	309,225	-0-	-
Esmeralda County	683,731	(77,729)	897,380	213,649	23.8
Eureka County	1,317,610	(16,805)	1,368,861	51,251	3.7
Humboldt County	3,662,538	229,499	3,431,105	-0-	-
Winnemucca	1,220,339	159,062	1,233,622	13,283	1.1
Lander County	2,605,046	784,151	1,887,600	-0-	-
Lincoln County	1,746,692	253,182	1,790,880	44,188	2.5
Caliente	144,204	24,179	135,755	-0-	-
Lyon County	3,169,275	349,938	3,934,631	41,318	1.0
Yerington	435,444	(27,966)	555,049	119,605	21.5

Mineral County	2,465,059	137,491	2,123,919	-0-	-
Nye County	4,722,459	90,466	4,837,092	114,633	2.4
Gabbs	229,994	64,758	143,808	-0-	-
Pershing County	1,561,284	36,813	1,669,749	108,465	6.5
Lovelock	289,283	16,168	335,260	45,997	13.7
Storey County	678,864	(73,454)	903,097	224,233	24.8
Washoe County	41,759,450	2,368,004	45,130,726	3,371,276	7.5
Reno	33,750,985	3,663,291	36,496,593	2,745,608	7.5
Sparks	8,636,161	1,534,205	9,032,116	395,955	4.4
White Pine County	2,732,303	(89,844)	4,205,169	1,472,866	35.0
Ely	\$ 669,991	(77,609)	943,550	273,559	29.0
Totals	<u>\$330,621,038</u>	<u>\$ 28,387,110</u>	<u>\$339,995,858</u>	<u>\$ 11,797,323</u>	
		8.4%		3.5%	

Note: Expenditure Limit uses 1977-78 actual expenditures from all funds supported primarily by taxes or license fees, except funds from which only the interest on or principal of debt is paid. Population increase is from 1976 to 1978 as prepared by the State Planning Coordinator. Inflation increase is the change in the CPI from November 1976 to November 1978.

Footnotes:

1. FY 1979-80 Budget Limit is expenditure limitation for the funds specified in S.B. 204.
2. Increase from FY 1978-79 is the amount of expenditure increase provided over 1978-79 budgeted expenditures.
3. FY 1979-80 Tentative Budget is the total for all funds, which is subject to the S.B. 204 limitation, in the tentative budget that is filed with the Department of Taxation on February 20, 1979.
4. Decrease Required is adjustment of tentative budget.

SCHOOL DISTRICT COMPARISON
OF SENATE AND ASSEMBLY CAP PROPOSALS
WITH PROPOSED 80¢ SENATE AMENDMENT

School District	1	2	3	4	5	6	7
	1979-80 Tentative Budget	80¢ CAP Reduction	Senate After Reduction	% Decrease	Proposed Reduction	Assembly After Reduction	% Decrease
Carson City	\$ 10,670,459	\$ 300,740	\$ 10,369,719	2.9%	\$ 98,161	\$ 10,572,298	.9%
Churchill	5,098,687	21,003	5,077,684	.4	101,310	4,997,377	2.0
Clark	152,727,756	3,051,304	149,676,452	2.0	3,879,043	148,848,713	2.6
Douglas	7,242,637	152,973	7,089,664	2.2	967,741	6,274,896	15.4
Elko	7,505,386	26,316	7,479,070	.3	-0-	7,505,386	-0-
Esmeralda	495,086	16,021	479,065	3.3	-0-	495,086	-0-
Eureka	812,859	34,629	778,230	4.4	-0-	812,859	-0-
Humboldt	3,724,403	25,813	3,698,590	.7	-0-	3,724,403	-0-
Lander	2,092,462	42,135	2,050,327	2.0	63,252	2,029,210	3.1
Lincoln	2,223,987	19,106	2,204,881	.9	173,581	2,050,406	8.5
Lyon	5,416,821	87,311	5,329,510	1.6	-0-	5,416,821	-0-
Mineral	2,724,494	27,113	2,697,381	1.0	-0-	2,724,494	-0-
Nye	4,357,950	225,891	4,132,059	5.5	198,867	4,159,083	4.8
Pershing	1,609,646	-0-	1,609,646	-0-	62,123	1,547,523	4.0
Storey	567,694	2,491	565,203	.4	11,061	556,633	2.0
Washoe	60,069,511	2,558,142	57,511,369	4.4	2,341,072	57,728,439	4.1
White Pine	3,175,161	-0-	3,175,161	-0-	-0-	3,175,161	-0-
Totals	\$270,514,999	\$6,590,988	\$263,924,011	2.5%	\$7,896,211	\$262,618,788	2.9%

SCHOOL DISTRICT COMPARISON OF
 SENATE AND ASSEMBLY CAP PROPOSALS ON TOTAL BUDGET
 WITH PROPOSED 80¢ AD VALOREM AMENDMENT - EXPRESSED PER PUPIL

School District	1979-80 Tenative Budget	Senate		Assembly	
		Limit	Decrease	Limit	Decrease
Carson City	\$1,729	\$1,680	\$49	\$1,713	\$16
Churchill	1,707	1,700	7	1,673	34
Clark	1,768	1,733	35	1,724	44
Douglas	2,065	2,021	44	1,789	276
Elko	2,140	2,132	8	2,140	-0-
Esmeralda	4,305	4,166	139	4,305	-0-
Eureka	4,370	4,184	186	4,370	-0-
Humboldt	2,108	2,093	15	2,108	-0-
Lander	2,284	2,238	46	2,215	69
Lincoln	2,616	2,594	22	2,412	204
Lyon	2,053	2,020	33	2,053	-0-
Mineral	2,056	2,036	20	2,056	-0-
Nye	2,588	2,454	134	2,470	118
Pershing	2,367	2,367	-0-	2,276	91
Storey	2,838	2,826	12	2,783	55
Washoe	1,915	1,833	82	1,840	75
White Pine	1,851	1,851	-0-	1,851	-0-
Totals	\$1,853	\$1,808	\$45	\$1,799	54

COMPARISON OF ASSEMBLY AND SENATE "CAPS"

	ASSEMBLY	SENATE
I. STATE GOVERNMENT		
<u>Base</u>	*1975-77 biennium	* Same
	*G.F. expenditures excluding construction	* Same
<u>Subject of Limitation</u>	*G.F. budget	* Same
<u>Cost Adjustment</u>	*CPI (July preceding each biennium)	* Same
<u>Growth Adjustment</u>	*Population Increase--July 1, 1974 compared with certified estimate	* Same
<u>Application of Limit</u>	*Budget preparation stage	* Same
II. LOCAL GOVERNMENTS		
<u>Base</u>	*1978-79 fiscal year	*1977-78 fiscal year
	*Aggregate budget of all funds which receive property tax, except debt service funds, excluding contributions to the state Title XIX Program and including an ending balance	*Aggregate expenditures of all funds supported primarily by taxes or license fees, except debt service funds, enterprise funds, trust funds, funds for capital construction and certain funds set up for accounting purposes. Tax Commission authorized to adjudicate accounting problems
<u>Subject of Limitation</u>	*Aggregate of budgets for funds above	* Same
	*Excludes Fair and Recreation Boards	* Same
<u>Cost Adjustment</u>	*80% CPI for most recent 5 years	*CPI (November preceding each fiscal year)
<u>Growth Adjustment</u>	*Population increase as certified by the Governor	* Same
<u>Application of Limit</u>	*Tentative budget to be disapproved if planned expenditures are not within limit	* Same

COMPARISON OF ASSEMBLY AND SENATE "CAPS"

(Continued)

III. SCHOOL DISTRICTS

	<u>ASSEMBLY</u>	<u>SENATE</u>
<u>Base</u>	*1978-79 fiscal year	*Average of 1975-76, 1976-77, 1977-78 assessment years
	*All funds receiving property tax or state aid	*80 cents/hundred times average assessment
<u>Subject of Limitation</u>	*Budget for all funds receiving property tax or state aid	*Optional property tax levy on schools
<u>Cost Adjustment</u>	*80% CPI for most recent 5 years	*CPI (November 1976 to November preceding each fiscal year)
<u>Growth Adjustment</u>	*Enrollment increase from base to projection for budget year	*Enrollment increase (average of 1975-76, 1976-77, 1977-78 is base to be compared enrollment certified by the State Board of Education)
<u>Application of Limit</u>	*Tentative budget to be disapproved if planned expenditures are not within limit	*Tentative budget to be disapproved if recommended levy is not within limit

COMPARISON OF EFFECT ON TAXPAYERS

MAXIMUM RATE ON A \$60,000 HOME:

EXHIBIT C

<u>CURRENT</u>	<u>QUESTION 6</u>	<u>ASSEMBLY PROPOSAL</u>	<u>SENATE PROPOSAL</u>
\$60,000	\$60,000	\$60,000	\$60,000
X 35%	X 1%	X 35%	X 35%
<u>\$21,000</u>	\$ 600 + Debt	<u>\$21,000</u>	<u>\$21,000</u>
X .05		X .0364	X .0346
<u>\$ 1,050/Year</u>		<u>\$ 764</u> <u>27.2%</u>	<u>\$ 727</u> <u>30.7%</u>
<u>EFFECTIVE DATE</u>	7/1/1981	7/1/1979	7/1/1979
<u>UNIQUE FEATURES</u>	Reduces assessments on real property to 1% of market value. 1% limitation to be exceeded to pay off current debt. Assessments frozen 1975-76 plus 2%. Restrictions on increases of other taxes.	Reduces the rate to \$3.64. Additional relief triggered 80-81. No sales tax on food. Family of 4 save \$83/Yr. Removes tax on household personal property. "Cap" to restrain growth.	Reduction in rate to \$4.64 plus allowance of \$1.18. Additional relief triggered 80-81. 4.9% rebate to renters. No sales tax on food. Family of 4 save \$83/Yr. Removes tax on household personal property. "Cap" to restrain growth.

ANNUAL SAVINGS* - PROPERTY TAX AND SALES TAX ON FOOD

Family of 4 in \$60,000 Home:	\$450 Less Debt Service	\$369 + Personal Property	\$406 + Personal Property
Family of 4 in \$20,000 Mobile Home:			
On Rental Lot:	\$ 0	\$178	\$191 + 4.9% Rebate
On Owned Lot Worth \$5,000:	\$ 37	\$202	\$218
Family of 4 Renting @ \$300/Mo.	\$ 0	\$ 83	\$259

*These savings do not include indirect savings due to "Caps".

COMPARISON OF EFFECT ON MAJOR HOTEL CASINO\$5.00/Hundred, \$150 Million Facility in Reno:

<u>CURRENT</u>	<u>QUESTION 61</u>	<u>ASSEMBLY</u>	<u>SENATE</u>
\$150,000,000	\$150,000,000	\$150,000,000	\$150,000,000
X 35%	X 1%	X 35%	X 35%
<u>\$ 52,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 52,500,000</u>	<u>\$ 52,500,000</u>
X .05	347,000 (debt ²)	X .0364 ³	X .0464
<u>\$ 2,625,000</u>	<u>\$ 1,847,000</u>	<u>\$ 1,911,000</u>	<u>\$ 2,436,000</u>
ANNUAL SAVINGS	\$ 778,000	\$ 714,000	\$ 189,000

\$4.9985/Hundred, \$150 Million Facility in Las Vegas:

<u>CURRENT</u>	<u>QUESTION 61</u>	<u>ASSEMBLY</u>	<u>SENATE</u>
\$150,000,000	\$150,000,000	\$150,000,000	\$150,000,000
X 35%	X 1%	X 35%	X 35%
<u>\$ 52,500,000</u>	<u>\$ 1,500,000</u>	<u>\$ 52,500,000</u>	<u>\$ 52,500,000</u>
X .049985	456,000 (debt ²)	X .036385	X .046385
<u>\$ 2,624,212</u>	<u>\$ 1,956,000</u>	<u>\$ 1,910,212</u>	<u>\$ 2,435,212</u>
ANNUAL SAVINGS	\$ 668,212	\$ 714,000	\$ 189,000

EFFECTIVE DATE:

7/1/81

7/1/79

7/1/79

Notes:

1. The examples here do not include a calculation of the impact of roll back to FY 1975-76.
2. Debt service at 1979-80 rate is used with assumption that roll back and new property on rolls for first time will approximately offset each other within the taxing units. Debt service would decline and go away completely over time.
3. Does not include triggered relief.

HOMEOWNERS
ESTIMATED TAX RATES

EXHIBIT C

<u>Entity</u>	<u>Existing Rate FY 1978-79</u>	<u>A.B. 616¹</u>	<u>S.B. 204²</u>	<u>Question 6³</u>
Carson Urban	\$4.83	\$3.47	\$3.29	\$3.36
Rural	3.65	2.29	2.11	3.36
Churchill County	3.80	2.44	2.26	3.27
Fallon	5.00	3.64	3.46	3.27
Clark County	3.58	2.22	2.04	3.58
Boulder City	5.00	3.64	3.46	3.66
Henderson	5.00	3.64	3.46	3.79
Las Vegas	5.00	3.64	3.46	3.82
North Las Vegas	5.00	3.64	3.46	4.17
Douglas County	3.01	1.65	1.47	3.01
Minden	4.87	3.51	3.33	3.48
Elko County	3.05	1.69	1.51	3.05
Elko	4.40	3.04	2.86	3.39
Esmeralda County	3.75	2.39	2.21	2.86
Goldfield	4.70	3.34	3.16	2.86
Eureka County	3.42	2.06	1.88	2.94
Eureka	3.92	2.56	2.38	2.94
Humboldt County	3.23	1.87	1.69	3.23
Winnemucca	4.88	3.52	3.34	3.25
Lander County	3.92	2.56	2.38	3.06
Battle Mountain	5.00	3.64	3.46	3.06
Lincoln County	3.60	2.24	2.06	3.31
Caliente	5.00	3.64	3.46	3.31
Lyon County	3.91	2.55	2.37	3.22
Yerington	5.00	3.64	3.46	3.22
Mineral County	5.00	3.64	3.46	3.17
Nye County	3.70	2.34	2.16	3.25
Gabbs	4.95	3.59	3.41	3.25
Pershing County	3.28	1.92	1.74	2.99
Lovelock	5.00	3.64	3.46	3.45
Storey County	4.79	3.43	3.25	3.45
Virginia City	4.99	3.63	3.45	3.45
Washoe County	3.87	2.51	2.33	3.28
Reno	5.00	3.64	3.46	3.47
Sparks	5.00	3.64	3.46	3.42
White Pine County	\$3.60	2.24	2.06	2.99
Ely	5.00	3.64	3.46	2.99
Maximum Allowable Rate	5.00	3.64	4.64	2.86 + ca

1. A.B. 616 - Existing tax rate less \$1.36.
2. S.B. 204 - Existing tax rate less \$1.54 (.36 + 1.18).
These rates apply only to homeowners.
3. Question 6 - Maximum rate of \$2.86 @ 35% assessed value plus existing debt service rates. If a taxing district rate less debt is lower than \$2.86, the lower rate has been used. Rates under Question 6 would decline over time as ad valorem debt is retired. In addition, the tax base under Question 6 may be lowered due to the roll back to 1975-76 levels.

Note: Tax rates under A.B. 616 and S.B. 204 may also decline over time due to local government expenditure limits provided that other local governments not limited don't raise their rates.