

Amendment No. 506

Assembly Amendment to Assembly Bill No. 429	(BDR 18-716)
<b>Proposed by:</b> Assembly Committee on Revenue	
<b>Amendment Box:</b> Replaces Amendment No. 447.	
<b>Amends:</b> Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION		Initial and Date		SENATE ACTION		Initial and Date
Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>	_____		Adopted <input type="checkbox"/>	Lost <input type="checkbox"/>	_____
Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>	_____		Concurred In <input type="checkbox"/>	Not <input type="checkbox"/>	_____
Receded <input type="checkbox"/>	Not <input type="checkbox"/>	_____		Receded <input type="checkbox"/>	Not <input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill proposed to be retained in this amendment.

BJF



Date: 4/21/2023

A.B. No. 429—Revises provisions relating to aviation. (BDR 18-716)





ASSEMBLY BILL NO. 429—ASSEMBLYMEN GURR, DICKMAN, HAFEN ~~[[ ]]~~, **GRAY;**  
ANDERSON, BROWN-MAY, DELONG, GALLANT, ~~[[GRAY]]~~ HANSEN, HARDY, HIBBETTS,  
KASAMA, KOENIG, MCARTHUR, O'NEILL AND YUREK

MARCH 27, 2023

Referred to Committee on Revenue

SUMMARY—Revises provisions relating to aviation. (BDR 18-716)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Contains Appropriation not included in  
Executive Budget.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~[[omitted material]]~~ is material to be omitted.

AN ACT relating to aviation; revising provisions governing the Nevada Air Service Development Commission ~~[[and]]~~ ; **providing that money in the Nevada Air Service Development Fund ~~[[ ]]~~ does not revert at the end of a fiscal year; requiring the Commission to prepare and submit an annual report to the Director of the Legislative Counsel Bureau relating to grants awarded from the Fund;** making an appropriation to the Nevada Air Service Development Fund ~~[[ ]]~~ **for the purpose of conducting a study of the development of intrastate air service and making certain grants;** making an appropriation to the Fund for Aviation for the enlargement, improvement or maintenance of rural airports, landing areas or air navigation facilities in Nevada; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law creates the Nevada Air Service Development Commission, which consists of  
2 the Executive Director of the Office of Economic Development in the Office of the Governor  
3 and the members of the Commission on Tourism. (NRS 231.680) Existing law also creates the  
4 Nevada Air Service Development Fund and requires the Nevada Air Service Development  
5 Commission to develop a program to make grants of money from the Fund to air carriers that  
6 will service or provide enhanced air service routes that will service certain airports in this  
7 State. (NRS 231.690, 231.710) **Section ~~[[ ]]~~ 1.6** of this bill provides that the Nevada Air  
8 Service Development Commission is part of the Office of Economic Development. **Section**  
9 **~~[[ ]]~~ 1.6** also maintains the Executive Director of the Office of Economic Development as a  
10 member of the Nevada Air Service Development Commission, but revises the membership of  
11 the Nevada Air Service Development Commission to include: (1) one member of the  
12 Commission on Tourism who is appointed by the Governor rather than all of the members of  
13 the Commission on Tourism; ~~[[and]]~~ (2) ~~[[certain other members appointed by the Governor.]]~~  
14 **one member who represents the Nevada Aviation Association; (3) one member who**  
15 **represents the department of aviation in a county whose population is 700,000 or more**  
16 **(currently only Clark County); (4) one member who represents the Reno-Tahoe Airport**  
17 **Authority; (5) one member who represents the Nevada Resort Association; (6) one**

18 member who represents the Nevada League of Cities; and (7) one member who  
 19 represents the Nevada Association of Counties. Section 1.6 further provides that the  
 20 terms of office for the members of the Commission are 2 years and must be staggered.

21 Section 1 of this bill requires the Commission to prepare and submit an annual  
 22 report to the Director of the Legislative Counsel Bureau relating to applications for  
 23 grants received and grants awarded by the Commission during the immediately  
 24 preceding calendar year. Section 1.3 of this bill makes a conforming change to indicate  
 25 the proper placement of section 1 in the Nevada Revised Statutes.

26 Section 2 of this bill provides that money in the Nevada Air Service Development Fund  
 27 does not revert to the State General Fund at the end of a fiscal year and must be carried  
 28 forward to the next fiscal year.

29 Section 3 of this bill revises the entities to which the Nevada Air Service Development  
 30 Commission is authorized to award grants to include governmental entities.

31 Section 4 of this bill makes an appropriation from the State General Fund to the Nevada  
 32 Air Service Development Fund ~~for~~ for the purpose of conducting a study of the  
 33 development of intrastate air service in this State and for the purpose of making grants  
 34 of money to an air carrier that will service or provide enhanced air service routes to  
 35 certain airports.

36 Existing law creates the Fund for Aviation in the State Treasury and requires the Director  
 37 of the Department of Transportation to administer the Fund. Existing law authorizes the  
 38 Director to award grants to counties, cities and other local governments, except for facilities  
 39 owned or controlled by the Reno-Tahoe Airport Authority or a county whose population is  
 40 700,000 or more (currently Clark County) for the planning, establishment, development,  
 41 construction, enlargement, improvement or maintenance of any airport, landing area or air  
 42 navigation facility owned or controlled by the county, city or other local government. (NRS  
 43 494.048) Section 5 of this bill makes an appropriation to the Fund for Aviation for these  
 44 purposes.

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

1 Section 1. Chapter 231 of NRS is hereby amended by adding thereto a  
 2 new section to read as follows:

3 On or before February 1 of each year, the Commission shall prepare and  
 4 submit to the Director of the Legislative Counsel Bureau for transmittal to the  
 5 Legislature, or if the Legislature is not in session, the Legislative Commission, a  
 6 report detailing for the immediately preceding calendar year:

7 1. The total number of applications for grants of money from the Fund that  
 8 were received;

9 2. The total amount of grants from the Fund that were awarded by the  
 10 Commission to air carriers; and

11 3. For each grant of money awarded from the Fund, the amount of each  
 12 grant and an explanation of how the grant will be used by the air carrier to  
 13 provide or enhance air service to an airport.

14 Sec. 1.3. NRS 231.600 is hereby amended to read as follows:

15 231.600 As used in NRS 231.600 to 231.720, inclusive, and section 1 of this  
 16 act, unless the context otherwise requires, the words and terms defined in NRS  
 17 231.610 to 231.670, inclusive, have the meanings ascribed to them in those  
 18 sections.

19 ~~Section 1.1~~ Sec. 1.6. NRS 231.680 is hereby amended to read as follows:

20 231.680 1. There is hereby created within the Office of Economic  
 21 Development the Nevada Air Service Development Commission, consisting of:

- 22 (a) The Executive Director; ~~and~~

1 (b) ~~[The members.]~~ *One member appointed by the Governor who is a member*  
 2 *of the Commission on Tourism* ~~[as provided in NRS 231.170.];~~

3 (c) *One member appointed by the Governor who represents the Nevada*  
 4 *Aviation Association or its successor organization;*

5 (d) *One member appointed by the Governor who represents the department*  
 6 *of aviation in a county whose population is 700,000 or more;*

7 (e) *One member appointed by the Governor who represents the Reno-Tahoe*  
 8 *Airport Authority;*

9 (f) *One member appointed by the Governor who represents the Nevada*  
 10 *Resort Association or its successor organization;* ~~[and]~~

11 (g) *One member appointed by the Governor who represents the Nevada*  
 12 *Association of Counties or its successor organization; and*

13 (h) *One member appointed by the Governor who represents the Nevada*  
 14 *League of Cities or its successor organization.*

15 2. *The Governor shall ensure that at least one member appointed pursuant*  
 16 *to subsection 1 is a resident of a county whose population is less than 100,000.*

17 3. *The terms of office for the members of the Commission appointed*  
 18 *pursuant to paragraphs (b) to (h), inclusive, of subsection 1 are 2 years, which*  
 19 *terms must be staggered.*

20 4. At the first meeting of each fiscal year, the Commission shall elect from  
 21 among its members a Chair, a Vice Chair and a Secretary.

22 ~~[3.]~~ 5. The Commission shall meet at least once each calendar quarter and at  
 23 other times at the call of the Chair or a majority of its members.

24 ~~[4.]~~ 6. A majority of the members of the Commission constitutes a quorum  
 25 for the transaction of all business.

26 **Sec. 2.** NRS 231.690 is hereby amended to read as follows:

27 231.690 1. There is hereby created as a special revenue fund in the State  
 28 Treasury the Nevada Air Service Development Fund. *Any money in the Fund*  
 29 *remaining at the end of a fiscal year does not revert to the State General Fund,*  
 30 *and the balance in the Fund must be carried forward to the next fiscal year.*

31 2. The Commission may accept gifts, bequests, grants, appropriations and  
 32 donations from any source for deposit in the Fund.

33 3. The money in the Fund must be invested as other state funds are invested.  
 34 All interest earned on the deposit or investment of the money in the Fund, after  
 35 deducting any applicable charges, must be credited to the Fund. Claims against the  
 36 Fund must be paid as other claims against the State are paid.

37 4. The Commission may make grants of money from the Fund to air carriers  
 38 that satisfy the criteria set forth in NRS 231.710.

39 **Sec. 3.** NRS 231.710 is hereby amended to read as follows:

40 231.710 1. The Commission shall develop a program to provide grants of  
 41 money from the Fund to an air carrier ~~[that will]~~ *or any governmental entity for the*  
 42 *purpose of establishing air* service or ~~[provide]~~ *providing* enhanced air service  
 43 routes that service an airport that is:

44 (a) A small hub airport, a nonhub airport or, if the air carrier provides air  
 45 service through a large hub airport that services small hub airports and nonhub  
 46 airports, a large hub airport; and

47 (b) Certified by the Federal Aviation Administration of the United States  
 48 Department of Transportation pursuant to 14 C.F.R. Part 139.

49 2. An application for a grant of money from the Fund must be in the form  
 50 prescribed by the Commission and must include, without limitation:

51 (a) A statement designating the small hub airport, nonhub airport or large hub  
 52 airport described in subsection 1 for which the air carrier will commence or  
 53 continue air service if the grant is awarded;

1 (b) Commitments from the air carrier that if the Commission awards the grant  
2 to the air carrier, the air carrier will enter into a written agreement with the  
3 Commission that provides for the air carrier to commence or continue air service to  
4 the airport designated in the application in exchange for receiving from the  
5 Commission one of the guarantees set forth in subsection 2 of NRS 231.720; and

6 (c) Letters of support from each airport that participates in the air service route  
7 offered by an air carrier pursuant to subsection 1.

8 **Sec. 4.** 1. There is hereby appropriated from the State General Fund to the  
9 Nevada Air Service Development Fund created by NRS 231.690 the sum of  
10 \$10,000,000.

11 2. The amount appropriated by subsection 1 must be used for the purpose of  
12 conducting a study of the development of intrastate air service in this State and for  
13 the purpose of making grants of money pursuant to NRS 231.710.

14 **Sec. 5.** 1. There is hereby appropriated from the State General Fund to the  
15 Fund for Aviation created by NRS 494.048 the following sums:

16 For the Fiscal Year 2023-2024..... \$1,000,000  
17 For the Fiscal Year 2024-2025..... \$1,000,000

18 2. The money appropriated by subsection 1 must be used by rural airports to  
19 match money that is available from the Federal Aviation Administration.

20 **Sec. 5.5.** The provisions of subsection 1 of NRS 218D.380 do not apply to  
21 any provision of this act which adds or revises a requirement to submit a  
22 report to the Legislature.

23 **Sec. 6.** This act becomes effective on July 1, 2023.