

SENATE BILL NO. 118—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE JOINT INTERIM STANDING COMMITTEE
ON HEALTH AND HUMAN SERVICES)

FEBRUARY 8, 2023

Referred to Committee on Health and Human Services

SUMMARY—Revises provisions relating to public health.
(BDR 40-334)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Contains Appropriation not included
in Executive Budget.

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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 public health; requiring that an account for public health improvement be created in the State General Fund; prescribing the manner in which money is allocated from the account; authorizing the creation of a health district by certain counties which are not physically adjacent; allocating money from a tax on tobacco products other than cigarettes to the account; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law creates a health district in any county whose population is 700,000
2 or more (currently Clark County), which has jurisdiction over all public health
3 matters in the health district. (NRS 439.361, 439.362, 439.366) Existing law
4 authorizes the creation of a health district with similar jurisdiction in counties
5 whose population is less than 700,000 (currently all counties other than Clark
6 County), subject to approval by the State Board of Health, by affirmative vote of:
7 (1) the boards of county commissioners of two or more adjacent counties; (2) the
8 governing bodies of two or more cities or towns within any county; or (3) the board
9 of county commissioners and the governing body or bodies of any incorporated city
10 or cities, town or towns, in such a county. (NRS 439.370) **Sections 7 and 8** of this
11 bill remove the requirement that two counties must be physically adjacent in order
12 to create a health district.

13 **Section 5** of this bill requires that an account be created in the State General
14 Fund, to be administered by the Administrator of the Division of Public and



15 Behavioral Health of the Department of Health and Human Services, for the
16 purpose of improving public health in this State. **Section 5** also authorizes the
17 Administrator to apply for and accept any gift, bequest, grant and donation for
18 credit to the account. **Section 4** of this bill defines the term “health authority” to
19 mean the district health department or, in a location that is not part of a health
20 district, the Division or a designee of the Division. **Section 6** of this bill: (1)
21 requires the Administrator to allocate money in the account annually, according to
22 population, to be used by each health authority; and (2) prohibits a health authority
23 from using such money to replace or supplant other sources of funding. **Section 6**
24 requires each entity to which money is allocated to annually report to the
25 Legislature concerning the allocation and use of the money. **Section 3** of this bill
26 defines the term “account” for purposes related to the use of money in the account.
27 Existing law imposes a tax upon the receipt, purchase or sale of tobacco
28 products other than cigarettes in this State at a rate of 30 percent of the wholesale
29 price of those products. (NRS 370.450) **Section 8.5** of this bill requires the
30 Department of Taxation to annually transfer 35 percent of the proceeds of that tax
31 to the account created by **section 5**.

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

1 **Section 1.** Chapter 439 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 6, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 6, inclusive, of this act, unless*
5 *the context otherwise requires, the words and terms defined in*
6 *sections 3 and 4 of this act have the meanings ascribed to them in*
7 *those sections.*

8 **Sec. 3.** *“Account” means the account created pursuant to*
9 *section 5 of this act.*

10 **Sec. 4.** *“Health authority” means the district health*
11 *department or, in a location that is not part of a health district, the*
12 *Division or a designee of the Division.*

13 **Sec. 5. 1.** *The Administrator may apply for and accept any*
14 *gift, donation, bequest, grant or other source of money for the*
15 *purpose of improving public health in this State. Any money so*
16 *received or from any other source, including, without limitation,*
17 *legislative appropriation, must be deposited in the State Treasury*
18 *and accounted for separately in the State General Fund.*

19 **2.** *The Administrator shall administer the account. Money in*
20 *the account must be expended in the manner prescribed by this*
21 *section and section 6 of this act.*

22 **3.** *The interest and income earned on the money in the*
23 *account, after deducting any applicable charges, must be credited*
24 *to the account. Any money remaining in the account at the end of*
25 *the fiscal year does not revert to the State General Fund, and the*



1 *balance in the account must be carried forward to the next fiscal*
2 *year.*

3 *4. All claims against the account must be paid as other claims*
4 *against the State are paid.*

5 *5. The Administrator may use not more than 5 percent of the*
6 *money in the account to administer the account and to fund*
7 *statewide projects for the purpose prescribed in subsection 1.*

8 **Sec. 6. 1. The Administrator shall, on or before**
9 **December 31 of each year:**

10 *(a) Determine the total amount of money in the account after*
11 *deducting any amount allocated for the uses described in*
12 *subsection 5 of section 5 of this act; and*

13 *(b) Allocate money among the health authorities in this State*
14 *in proportion to the populations of the areas under the jurisdiction*
15 *of those health authorities.*

16 *2. A health authority to which money is allocated pursuant to*
17 *subsection 1 shall:*

18 *(a) Evaluate the public health needs of residents of the area*
19 *under the jurisdiction of the health authority;*

20 *(b) Determine the level of priority of the public health needs*
21 *identified pursuant to paragraph (a);*

22 *(c) Expend the money in accordance with the levels of priority*
23 *identified pursuant to paragraph (b); and*

24 *(d) Not later than 90 days after the end of the fiscal year in*
25 *which the health authority receives the money;*

26 *(1) Prepare a report which must include, without limitation,*
27 *a description of:*

28 *(I) The process used by the health authority pursuant to*
29 *paragraph (a) to evaluate the public health needs of residents of*
30 *the area under the jurisdiction of the health authority and the*
31 *public health needs identified through that process;*

32 *(II) The process used by the health authority pursuant*
33 *to paragraph (b) to determine the level of priority of the public*
34 *health needs identified pursuant to paragraph (a) and the levels of*
35 *priority assigned to those public health needs through that*
36 *process; and*

37 *(III) Each expenditure made by the health authority*
38 *pursuant to paragraph (c); and*

39 *(2) Submit the report to the Director of the Legislative*
40 *Counsel Bureau for transmittal to the Interim Finance*
41 *Committee.*

42 *3. A health authority shall not use money allocated to the*
43 *health authority pursuant to subsection 1 to replace or supplant*
44 *money available from other sources.*



1 **Sec. 7.** NRS 439.370 is hereby amended to read as follows:
2 439.370 By affirmative vote of:

3 1. The boards of county commissioners of two or more
4 [adjacent] counties;

5 2. The governing bodies of two or more cities or towns within
6 any county; or

7 3. The board of county commissioners and the governing body
8 or bodies of any incorporated city or cities, town or towns, in such
9 county,

10 ↳ and with the approval of the State Board of Health, there may be
11 created a health district with a health department consisting of a
12 district health officer and a district board of health.

13 **Sec. 8.** NRS 439.383 is hereby amended to read as follows:

14 439.383 When two or more [adjacent] counties establish a
15 district board of health, all county boards of health in such district
16 shall thereupon be abolished.

17 **Sec. 8.5.** NRS 370.500 is hereby amended to read as follows:

18 370.500 1. All amounts of tax required to be paid to the State
19 pursuant to NRS 370.440 to 370.490, inclusive, must be paid to the
20 Department in the form of remittances payable to the Department.

21 2. The Department shall deposit these payments with the State
22 Treasurer for credit to the Account for the Tax on Products Made
23 From Tobacco, Other Than Cigarettes, in the State General Fund.

24 3. *At the end of each fiscal year, the Department shall*
25 *transfer from the Account for the Tax on Products Made From*
26 *Tobacco, Other Than Cigarettes to the account created pursuant*
27 *to section 5 of this act an amount equal to 35 percent of the tax*
28 *collected pursuant to NRS 370.440 to 370.490, inclusive, during*
29 *the fiscal year.*

30 **Sec. 9.** (Deleted by amendment.)

31 **Sec. 9.5.** The provisions of subsection 1 of NRS 218D.380 do
32 not apply to any provision of this act which adds or revises a
33 requirement to submit a report to the Legislature.

34 **Sec. 10.** This act becomes effective on July 1, 2023.

