

SENATE BILL NO. 68—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE CLARK REGIONAL
BEHAVIORAL HEALTH POLICY BOARD)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Revenue and
Economic Development

SUMMARY—Establishes programs to provide certain assistance
relating to housing. (BDR 25-303)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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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 housing; creating the Critical Needs Fund;
authorizing money in the Fund to be used for certain
purposes relating to very low income housing, supportive
housing and supportive services; requiring the distribution
of a certain portion of the real property transfer tax to the
Fund; and providing other matters properly relating
thereto.

Legislative Counsel’s Digest:

1 Existing law imposes a tax on certain transfers of real property. The tax
2 includes, without limitation, a tax, at the rate of \$1.30 on each \$500 of value or
3 fraction thereof of the transferred property. After a portion of this tax is withheld by
4 the county recorder of each county as reimbursement for the cost of collecting the
5 tax, the proceeds of the tax are transmitted to the State Controller for deposit in the
6 State General Fund. (NRS 375.023) **Section 21.5** of this bill requires a portion of
7 this tax equal to 15 cents on each \$500 of value of the transferrer property to be
8 transmitted to the Critical Needs Fund created by **section 14** of this bill. **Section 14:**
9 (1) requires the Housing Division of the Department of Business and Industry to
10 administer the Fund; and (2) requires the money in the Fund to be used to provide
11 certain assistance for very low income housing, supportive housing and supportive
12 services. **Section 14** also authorizes the Division to apply for and accept gifts,
13 bequests, grants, donations and other sources of money for credit to the Fund.
14 **Sections 3-13** of this bill define certain terms related to the use of money in the
15 Fund.



16 Existing law divides this State into five behavioral health regions and creates a
17 regional behavioral health policy board for each region. (NRS 433.428, 433.429)
18 Existing law requires each policy board to advise certain agencies, including the
19 Department of Health and Human Services, concerning priorities for allocating
20 money to support and develop behavioral health services in each region. (NRS
21 433.4295) **Section 15** of this bill requires the Division to annually allocate money
22 in the Fund to be used in each behavioral health region and prescribes the manner
23 in which the Division is required to calculate such allocations. From the money
24 allocated for use in a behavioral health region, **sections 15 and 23** of this bill
25 require the policy board created for the region, or the Division if the policy board
26 fails to act, to determine an amount to be used for: (1) rental or other assistance or
27 home repair assistance to assist eligible individuals to obtain or retain very low
28 income housing; and (2) supportive housing and supportive services.

29 **Section 16** of this bill requires the Division to distribute the money allocated by
30 each policy board to rental and other assistance and home repair assistance for very
31 low income housing to the housing authorities whose area of operation includes any
32 part of the behavioral health region. **Section 16** requires each housing authority to
33 distribute that money to provide rental and other assistance and home repair
34 assistance for very low income housing in the applicable behavioral health region,
35 prioritizing households with the lowest income and households which are in
36 supportive housing.

37 **Section 18** of this bill requires the Division to distribute the money allocated by
38 each policy board to supportive housing projects and supportive services to itself
39 for the purpose of awarding grants to provide: (1) rental assistance to supportive
40 housing projects within the applicable behavioral health region; and (2) funding for
41 the acquisition and rehabilitation of properties suitable for conversion to supportive
42 housing within the applicable behavioral health region. **Section 18** requires the
43 Division to adopt regulations prescribing the process for awarding those grants.

44 **Section 20** of this bill prescribes certain conditions applicable to the grants.

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

1 **Section 1.** Chapter 319 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 20, inclusive, of this
3 act.

4 **Sec. 2.** *As used in sections 2 to 20, inclusive, of this act,*
5 *unless the context otherwise requires, the words and terms defined*
6 *in sections 3 to 13, inclusive, of this act have the meanings*
7 *ascribed to them in those sections.*

8 **Sec. 3.** *“Behavioral health region” has the meaning ascribed*
9 *to it in NRS 433.426.*

10 **Sec. 4.** *“Department” means the Department of Health and*
11 *Human Services.*

12 **Sec. 5.** *“Developmental disability” has the meaning ascribed*
13 *to it in NRS 435.007.*

14 **Sec. 6.** *“Disabling condition” means a substance use*
15 *disorder, serious mental illness, post-traumatic stress disorder or*
16 *other debilitating trauma, serious emotional disturbance,*



1 *developmental disability, intellectual disability or chronic physical*
2 *illness or disability, including, without limitation, a combination*
3 *of two or more such conditions.*

4 **Sec. 7.** *“Fund” means the Critical Needs Fund created by*
5 *section 14 of this act.*

6 **Sec. 8.** *“Housing authority” means a housing authority*
7 *created pursuant to chapter 315 of NRS. The term includes,*
8 *without limitation, the Nevada Rural Housing Authority created*
9 *by NRS 315.977.*

10 **Sec. 9.** *“Intellectual disability” has the meaning ascribed to*
11 *it in NRS 435.007.*

12 **Sec. 10.** *“Policy board” has the meaning ascribed to it in*
13 *NRS 433.427.*

14 **Sec. 11.** *“Supportive housing” means housing that:*

15 *1. Is subsidized and prioritizes providing housing for persons*
16 *with a disabling condition who:*

17 *(a) Have experienced or are at imminent risk of homelessness*
18 *or whose disabling condition prevents independent living; and*

19 *(b) Can benefit from comprehensive support services to retain*
20 *tenancy.*

21 *2. Uses admissions practices designed to result in lower*
22 *barriers to entry than would be typical for other subsidized or*
23 *unsubsidized rental housing, including, without limitation,*
24 *requirements with respect to rental history, criminal history or*
25 *source of income.*

26 *3. Is paired with on-site or off-site, voluntary and tenant-*
27 *centered tenancy supportive services designed to serve the resident*
28 *population and assist with achieving successful tenancy,*
29 *improving health status and providing a connection to community-*
30 *based services, health care, treatment or employment services.*

31 *4. Is subject to the provisions of chapter 118A of NRS.*

32 **Sec. 12.** *“Supportive services” means services available to a*
33 *person with a disabling condition or to his or her immediate*
34 *family, including, without limitation:*

35 *1. Case management and intensive services delivered in the*
36 *household or through care coordination related to physical and*
37 *behavioral health, treatment for and recovery from addictive*
38 *disorders, recovery from trauma, management of a chronic*
39 *disease or management of an intellectual, developmental or*
40 *physical disability; and*

41 *2. Other tenancy supports.*

42 **Sec. 13.** *1. “Very low income housing” means housing:*

43 *(a) For a household that has a total monthly gross income that*
44 *is equal to not more than 50 percent of the median monthly gross*



1 *household income for the county in which the housing is located;*
2 *and*

3 *(b) Which, including the cost of utilities, costs not more than*
4 *30 percent of the total monthly gross household income of the*
5 *household to which the housing is provided.*

6 *2. For the purposes of this section, median monthly gross*
7 *household income must be determined based upon the estimates of*
8 *the United States Department of Housing and Urban Development*
9 *of the most current median monthly gross family income for the*
10 *county in which the housing is located.*

11 **Sec. 14.** *1. The Critical Needs Fund is hereby created in*
12 *the State Treasury. The Division shall administer the Critical*
13 *Needs Fund.*

14 *2. Money in the Fund must be expended in the manner*
15 *prescribed by sections 2 to 20, inclusive, of this act, and any*
16 *regulations adopted thereto.*

17 *3. The interest and income earned on the money in the Fund,*
18 *after deducting any applicable charges, must be credited to the*
19 *Fund. Any money remaining in the Fund at the end of the fiscal*
20 *year does not revert to the State General Fund, and the balance in*
21 *the Fund must be carried forward to the next fiscal year.*

22 *4. All money that is collected for the use of the Fund from*
23 *any source, including, without limitation, pursuant to NRS*
24 *375.023 or from legislative appropriation, must be deposited in the*
25 *State Treasury for credit to the Fund.*

26 *5. All claims against the Fund must be paid as other claims*
27 *against the State are paid.*

28 *6. The Division may use not more than 10 percent of the*
29 *money in the Fund to:*

30 *(a) Administer the Fund; and*

31 *(b) Provide funding for administrative purposes to housing*
32 *authorities.*

33 *7. The Division may apply for and accept any gift, donation,*
34 *bequest, grant or other source of money for the purposes of*
35 *providing rental and other assistance and home repair assistance*
36 *for very low income housing, supportive housing and supportive*
37 *services in accordance with sections 2 to 20, inclusive, of this act.*
38 *Any money so received must be deposited in the State Treasury for*
39 *credit to the Fund.*

40 **Sec. 15.** *1. The Division shall, on or before July 1 of each*
41 *year:*

42 *(a) Determine the total amount of money in the Fund which is*
43 *available for use within all behavioral health regions in this State*
44 *combined;*



1 (b) Determine the amount of money in the Fund which is
2 available for use within each behavioral health region in this
3 State; and

4 (c) Report to each policy board the amounts determined in
5 paragraphs (a) and (b).

6 2. In making a determination pursuant to paragraph (b) of
7 subsection 1, the Division shall allocate:

8 (a) At least \$400,000 or one-fifth of the total money
9 determined to be available pursuant to paragraph (a) of subsection
10 1, whichever is less, for use in each behavioral health region; and

11 (b) Any additional money determined to be available pursuant
12 to paragraph (a) of subsection 1 among the behavioral health
13 regions in proportion to the current populations of the behavioral
14 health regions.

15 3. Each policy board shall, within 60 days after receipt of the
16 report submitted by the Division pursuant to paragraph (c) of
17 subsection 1 and, in consultation with the social services
18 department of each county within the behavioral health region:

19 (a) Determine an amount of money to allocate toward rental
20 and other assistance or home repair assistance to assist eligible
21 persons to obtain or retain very low income housing;

22 (b) Determine an amount of money to allocate toward
23 supportive housing and supportive services; and

24 (c) Report to the Division the amounts determined pursuant to
25 paragraphs (a) and (b).

26 4. The Division shall, upon receipt of the report submitted by
27 a policy board pursuant to paragraph (c) of subsection 3:

28 (a) Distribute the money allocated by the policy board toward
29 rental and other assistance or home repair assistance to assist
30 eligible persons to obtain or retain very low income housing in
31 accordance with section 16 of this act; and

32 (b) Distribute the money allocated by the policy board toward
33 supportive housing and supportive services in accordance with
34 section 18 of this act.

35 5. If a policy board does not make a determination within the
36 time prescribed pursuant to subsection 3, the Division shall, after
37 consultation with the social services agency of each county within
38 the behavioral health region, determine an amount of money to
39 allocate towards the purposes described in paragraphs (a) and (b)
40 of subsection 3. Upon making such a determination, the Division
41 shall distribute the money allocated by the Division pursuant to
42 this subsection in accordance with sections 16 and 18 of this act as
43 though the allocation had been made by the policy board.

44 6. As used in this section, "population" means the current
45 population estimate for the counties within a behavioral health



1 *region as determined and published by the Department of*
2 *Taxation and the demographer employed pursuant to*
3 *NRS 360.283.*

4 **Sec. 16.** *1. The Division shall distribute the money*
5 *allocated by each policy board pursuant to paragraph (a) of*
6 *subsection 3 of section 15 of this act to the housing authorities*
7 *whose area of operation includes any part of the behavioral health*
8 *region for which the policy board was established.*

9 *2. Upon receiving money from the Division pursuant to*
10 *subsection 1, a housing authority shall distribute the money to*
11 *households in the applicable behavioral health region for the*
12 *purpose of providing rental and other assistance and home repair*
13 *assistance to assist eligible persons to obtain or retain very low*
14 *income housing. When making such a distribution, a housing*
15 *authority shall prioritize households with the lowest income and*
16 *households that are currently in supportive housing.*

17 *3. In order to receive assistance pursuant to subsection 2, a*
18 *household must provide evidence to the housing authority*
19 *awarding the assistance that the household:*

20 *(a) Has made at least one application for another source of*
21 *assistance for which the household or person is eligible including,*
22 *without limitation, from the Housing Choice Voucher Program or*
23 *the Veterans Affairs Supportive Housing Program pursuant to 42*
24 *U.S.C. § 1437f and any regulations adopted pursuant thereto or*
25 *any successor program, or from the Aging and Disability Services*
26 *Division of the Department; or*

27 *(b) Is not eligible to receive any assistance described in*
28 *paragraph (a).*

29 **Sec. 17.** (Deleted by amendment.)

30 **Sec. 18.** *1. The Division shall use the money allocated by*
31 *each policy board pursuant to paragraph (b) of subsection 3 of*
32 *section 15 of this act to the Division for the purpose of awarding*
33 *competitive grants subject to the provisions of section 20 of this act*
34 *to provide:*

35 *(a) Rental assistance and funding for supportive services to*
36 *supportive housing projects within the applicable behavioral*
37 *health region in order to ensure the financial sustainability of*
38 *such projects; and*

39 *(b) Funding, not to exceed \$15,000 per unit, for the*
40 *acquisition and rehabilitation of properties suitable for conversion*
41 *to supportive housing within the applicable behavioral health*
42 *region.*

43 *2. The Division shall adopt regulations prescribing the*
44 *process for awarding competitive grants pursuant to this section,*



1 *including, without limitation, the process to apply for such a*
2 *grant. The regulations must:*

3 *(a) Provide for the participation in the grant review process of*
4 *a member of the applicable policy board, or a designee of the*
5 *policy board, and a representative of a social services agency of a*
6 *county;*

7 *(b) Require an applicant to demonstrate the ability to leverage*
8 *federal and other sources of money and give priority to*
9 *applications from applicants who show the most ability to or*
10 *experience in securing leveraged funding;*

11 *(c) Require an applicant to make the supportive housing*
12 *available to qualified tenants for not less than 24 months and*
13 *provide that additional consideration in the competitive process*
14 *will be given to projects that create permanent supportive housing*
15 *accompanied by robust supportive services;*

16 *(d) Require an annual performance review of each person or*
17 *entity to whom a grant is awarded;*

18 *(e) Require the renewal of a grant at least every 3 years and*
19 *authorize up to four renewals, contingent upon successful annual*
20 *performance reviews; and*

21 *(f) Authorize the use of unallocated money to supplement*
22 *grants from prior years or the retention of unallocated money in a*
23 *carryover account to fund future projects within the behavioral*
24 *health region.*

25 **Sec. 19.** (Deleted by amendment.)

26 **Sec. 20.** 1. *A person or entity to which a grant is awarded*
27 *pursuant to section 18 of this act may make commitments of not*
28 *more than 15 years with regard to the use of the money. Such a*
29 *commitment is contingent on the availability of funds, the outcome*
30 *of the annual performance reviews conducted pursuant to section*
31 *18 of this act, and the successful renewal of the grant. A person or*
32 *entity to which a grant is awarded pursuant to section 18 of this*
33 *act may apply for another competitive grant pursuant to that*
34 *section after any previous grant has ended and can no longer be*
35 *renewed.*

36 2. *A grant awarded pursuant to section 18 of this act must*
37 *require a person or entity that wishes to receive such assistance to*
38 *provide evidence to the grantee that the person or entity:*

39 *(a) Has made at least one application for another source of*
40 *assistance for which the person or entity is eligible including,*
41 *without limitation, from the Housing Choice Voucher Program or*
42 *the Veterans Affairs Supportive Housing Program pursuant to 42*
43 *U.S.C. § 1437f and any regulations adopted pursuant thereto or*
44 *any successor program, or from the Aging and Disability Services*
45 *Division of the Department; or*



1 *(b) Is not eligible to receive any assistance described in*
2 *paragraph (a).*

3 **Sec. 21.** (Deleted by amendment.)

4 **Sec. 21.5.** NRS 375.023 is hereby amended to read as follows:

5 375.023 1. In addition to all other taxes imposed on transfers
6 of real property, a tax, at the rate of \$1.30 on each \$500 of value or
7 fraction thereof, is hereby imposed on each deed by which any
8 lands, tenements or other realty is granted, assigned, transferred or
9 otherwise conveyed to, or vested in, another person, or land sale
10 installment contract, if the consideration or value of the interest or
11 property conveyed exceeds \$100.

12 2. The amount of the tax must be computed on the basis of the
13 value of the transferred property as declared pursuant to
14 NRS 375.060.

15 3. The county recorder of each county shall collect the tax in
16 the manner provided in NRS 375.030, except that the amount
17 collected must be transmitted to the State Controller ~~[for]~~ *within 30*
18 *days after the end of the calendar quarter during which the tax*
19 *was collected. The State Controller shall* deposit :

20 *(a) An amount equal to that portion of the proceeds which is*
21 *equivalent to 15 cents for each \$500 of value or fraction thereof in*
22 *the Critical Needs Fund created by section 14 of this act; and*

23 *(b) The remaining amount* in the State General Fund . ~~[within~~
24 ~~30 days after the end of the calendar quarter during which the tax~~
25 ~~was collected.]~~

26 4. The county recorder of each county may deduct and
27 withhold from the taxes collected 1 percent of those taxes to
28 reimburse the county for the cost of collecting the tax.

29 **Sec. 22.** (Deleted by amendment.)

30 **Sec. 23.** NRS 433.4295 is hereby amended to read as follows:

31 433.4295 1. Each policy board shall:

32 (a) Advise the Department, Division and Commission regarding:

33 (1) The behavioral health needs of adults and children in the
34 behavioral health region;

35 (2) Any progress, problems or proposed plans relating to the
36 provision of behavioral health services and methods to improve the
37 provision of behavioral health services in the behavioral health
38 region;

39 (3) Identified gaps in the behavioral health services which
40 are available in the behavioral health region and any
41 recommendations or service enhancements to address those gaps;

42 (4) Any federal, state or local law or regulation that relates to
43 behavioral health which it determines is redundant, conflicts with
44 other laws or is obsolete and any recommendation to address any
45 such redundant, conflicting or obsolete law or regulation; and



1 (5) Priorities for allocating money to support and develop
2 behavioral health services in the behavioral health region.

3 (b) Promote improvements in the delivery of behavioral health
4 services in the behavioral health region.

5 (c) Coordinate and exchange information with the other policy
6 boards to provide unified and coordinated recommendations to the
7 Department, Division and Commission regarding behavioral health
8 services in the behavioral health region.

9 (d) Review the collection and reporting standards of behavioral
10 health data to determine standards for such data collection and
11 reporting processes.

12 (e) To the extent feasible, establish an organized, sustainable
13 and accurate electronic repository of data and information
14 concerning behavioral health and behavioral health services in the
15 behavioral health region that is accessible to members of the public
16 on an Internet website maintained by the policy board. A policy
17 board may collaborate with an existing community-based
18 organization to establish the repository.

19 (f) To the extent feasible, track and compile data concerning
20 persons placed on a mental health crisis hold pursuant to NRS
21 433A.160, persons admitted to mental health facilities and hospitals
22 under an emergency admission pursuant to NRS 433A.162, persons
23 admitted to mental health facilities under an involuntary court-
24 ordered admission pursuant to NRS 433A.200 to 433A.330,
25 inclusive, and persons ordered to receive assisted outpatient
26 treatment pursuant to NRS 433A.335 to 433A.345, inclusive, in the
27 behavioral health region, including, without limitation:

28 (1) The outcomes of treatment provided to such persons; and

29 (2) Measures taken upon and after the release of such
30 persons to address behavioral health issues and prevent future
31 mental health crisis holds and admissions.

32 (g) If a data dashboard is established pursuant to NRS 439.245,
33 use the data dashboard to review access by different groups and
34 populations in this State to behavioral health services provided
35 through telehealth, as defined in NRS 629.515, and evaluate policies
36 to make such access more equitable.

37 (h) Identify and coordinate with other entities in the behavioral
38 health region and this State that address issues relating to behavioral
39 health to increase awareness of such issues and avoid duplication of
40 efforts.

41 (i) In coordination with existing entities in this State that address
42 issues relating to behavioral health services, submit an annual report
43 to the Commission which includes, without limitation:

44 (1) The specific behavioral health needs of the behavioral
45 health region;



1 (2) A description of the methods used by the policy board to
2 collect and analyze data concerning the behavioral health needs and
3 problems of the behavioral health region and gaps in behavioral
4 health services which are available in the behavioral health region,
5 including, without limitation, a list of all sources of such data used
6 by the policy board;

7 (3) A description of the manner in which the policy board
8 has carried out the requirements of paragraphs (c) and (h) and the
9 results of those activities; and

10 (4) The data compiled pursuant to paragraph (f) and any
11 conclusions that the policy board has derived from such data.

12 *(j) Allocate money from the Critical Needs Fund to support*
13 *very low income housing and supportive housing and supportive*
14 *services for use in the behavioral health region for which the*
15 *policy board was created, as provided in section 15 of this act.*

16 2. A report described in paragraph (i) of subsection 1 may be
17 submitted more often than annually if the policy board determines
18 that a specific behavioral health issue requires an additional report
19 to the Commission.

20 **Sec. 24.** 1. Notwithstanding the provisions of section 15 of
21 this act, the Housing Division of the Department of Business and
22 Industry shall provide the initial report described in paragraph (c) of
23 subsection 1 of section 15 of this act to each policy board in this
24 State on or before July 1, 2024.

25 2. As used in this section, "policy board" has the meaning
26 ascribed to it in section 10 of this act.

27 **Sec. 25.** 1. This section becomes effective upon passage and
28 approval.

29 2. Sections 1 to 24, inclusive, of this act become effective:

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

33 (b) On October 1, 2023, for all other purposes.

