



STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <https://tax.nv.gov>

Call Center: (866) 962-3707

LAS VEGAS OFFICE  
700 E. Warm Springs Rd, Suite 200  
Las Vegas, Nevada 89119  
Phone (702) 486-2300  
Fax (702) 486-2373

STEVE SISOLAK  
*Governor*  
TONY WREN  
*Chair, Nevada Tax Commission*  
SHELLIE HUGHES  
*Executive Director*

CARSON CITY OFFICE  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937  
Phone: (775) 684-2000  
Fax: (775) 684-2020

RENO OFFICE  
4600 Kietzke Lane, Suite L235  
Reno, NV 89502  
Phone: (775) 687-9999  
Fax: (775) 688-1303

Posted 11/10/22

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Adoption of

**LCB File No. R092-22**

**Nevada Tax Commission**

The Committee on Local Government Finance will hold a Public Hearing at **9:30 a.m.** on **Tuesday, December 13, 2022**. The purpose of the hearing is to receive comments from all interested parties regarding the adoption of the regulation that pertains to LCB File No. R092-22.

You may attend this meeting at either of the following physical locations:

Nevada Department of Taxation  
1550 College Parkway  
Carson City, Nevada 89706

Nevada Department of Taxation 700  
E. Warm Springs Road, 1st Floor Las  
Vegas, Nevada 89119

This meeting is also available on Zoom:

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/81652903528>

Or One tap mobile :

US: +16694449171,81652903528# or +16699009128,81652903528#

Or Telephone: Dial(for higher quality, dial a number based on your current location):

US: +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580 or +1 253 215 8782 or +1 346 248 7799  
or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or  
+1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 309 205 3325

**Webinar ID: 816 5290 3528**

International numbers available: <https://us02web.zoom.us/u/keplQEWknn>

---

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. Need and purpose of the proposed regulations or amendments

The need and purpose of the proposed permanent regulation (R092-22) is to amend NAC 354.660 to comply with the provisions NRS 354.6241, as amended during the 2021 Legislative Session (SB439).

Existing regulations provide that a budgeted ending fund balance of not more than 16.6 percent of the total budgeted expenditures is not subject to negotiations and must not be considered by a fact finder or arbitrator in determining the financial ability to pay. (NAC 354.660) This regulation adopts the percentage set forth in the statutory language to provide that for a school district, a budgeted ending fund balance of not more than 12 percent of the total budgeted expenditures for a county school district fund is not subject to negotiations and must not be considered by a fact finder or arbitrator in determining the financial ability to pay. This regulation also provides that any portion of a budgeted ending fund balance which exceeds 16.6 percent of the total budgeted expenditures for a county school district fund is not subject to collective bargaining negotiations, must not be considered by a fact finder or arbitrator in determining the financial ability to pay compensation or monetary benefits and must be transferred to the Education Stabilization Account in the State Education Fund.

2. How to obtain the approved or revised text of regulations prepared by LCB

You may obtain a copy of the proposed permanent regulation by writing to the Nevada Department of Taxation, 1550 College Parkway, Ste 115, Carson City, Nevada 89706; or by calling the office at (775) 684-2059. The proposed permanent regulation is also available for review and download on the Department of Taxation website at <https://tax.nv.gov/> or on the Nevada Legislature website at <https://www.leg.state.nv.us/>.

3. Methods used in determining the impact on a small business

The agency used informed, reasonable judgment in determining that there will not be an impact on small businesses due to the nature of the regulation changes.

The Department held a workshop for concerned members of the public to state their concerns and submit correspondence regarding the regulation.

4. Estimated economic effect of regulation on businesses and the public

a. Adverse and beneficial effects

The proposed permanent regulation does not present any reasonable, foreseeable or anticipated adverse economic effects on small businesses.

b. Immediate and long-term effects

Same as above.

5. Cost for enforcement of the regulations

The proposed permanent regulation does not present any significant, foreseeable or anticipated cost or decrease in costs for enforcement.

6. Overlap or duplication of other state or local governmental agencies

The proposed permanent regulation does not overlap or duplicate any regulation of other state or local governmental entities.

7. Regulation required by federal law

Not Applicable.

8. More stringent than federal regulations

The Department is not aware of any similar federal regulations of the same activity in which the state regulations are more stringent.

9. New or increases in existing fees

The proposed permanent regulation does not include new fees or increase an existing fee.

---

Persons wishing to comment on the proposed action of the Committee on Local Government Finance may appear at the above scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Nevada Tax Commission, 1550 E. College Parkway, Suite 115, Carson City, Nevada 89706. Written submissions must be received at least two weeks prior to the above scheduled public hearing.

Under NRS 233B.064(2), when adopting any regulation, the Agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporation, and its reason for overruling the consideration urged against its adoption.



---

Yvonne Nevarez-Goodson, Chief Deputy Executive Director  
November 10, 2022

Members of the public who are disabled and require accommodations or assistance at the meeting are requested to notify the Department of Taxation in writing or by calling 775-684-2096 no later than five working days prior to the meeting.

**A copy of the Notice and the proposed permanent regulation to be adopted and/or amended is on file and has been posted at the following location:** The Department of Taxation - 1550 College Parkway, Ste 115, Carson City, Nevada.

Members of the public may inspect these documents during regular business hours at the above location. Additional copies of the notice and proposed permanent regulation to be adopted and/or amended are available at the below locations.

The text of the proposed permanent regulation will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. Copies will be mailed to members

of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

**Notice has been EMAILED/MAILED for posting at the following locations:** Department of Taxation - 4600 Kietzke Lane, Building L, Ste 235, Reno, Nevada; Department of Taxation - 700 E. Warm Springs Rd, Ste 200, Las Vegas, Nevada; The Legislative Building - Capitol Complex, Carson City, Nevada; The Nevada State Library -100 Stewart Street, Carson City, Nevada; The County Public Library's, Interested Parties Group, and the Mailing List maintained by the Department. Notice of this meeting was posted on the Department of Taxation website at <https://tax.nv.gov/>, on the Legislative website at <https://www.leg.state.nv.us/>, and the Nevada Public Notice Website at <https://notice.nv.gov/>.

**PROPOSED REGULATION OF THE  
COMMITTEE ON LOCAL GOVERNMENT FINANCE**

**LCB File No. R092-22**

July 12, 2022

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

AUTHORITY: § 1, NRS 354.107.

A REGULATION relating to local government finance; amending provisions governing the exclusion of certain money from collective bargaining negotiations and from consideration in determining the ability of a local government to pay compensation and monetary benefits; requiring certain money to be transferred from a county school district fund to the Education Stabilization Account in the State Education Fund; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law provides that for a county school district fund of a school district: (1) a budgeted ending fund balance of not more than 12 percent of the total budgeted expenditures; and (2) any portion of a budgeted ending fund balance which exceeds 16.6 percent of the total budgeted expenditures for a county school district fund is not subject to collective bargaining negotiations and must not be considered by a fact finder or arbitrator in determining the financial ability to pay compensation or monetary benefits. (NRS 354.6241) Existing regulations provide that a budgeted ending fund balance of not more than 16.6 percent of the total budgeted expenditures is not subject to negotiations and must not be considered by a fact finder or arbitrator in determining the financial ability to pay. (NAC 354.660) This regulation adopts the percentage set forth in the statutory language to provide that for a school district, a budgeted ending fund balance of not more than 12 percent of the total budgeted expenditures for a county school district fund is not subject to negotiations and must not be considered by a fact finder or arbitrator in determining the financial ability to pay. This regulation also provides that any portion of a budgeted ending fund balance which exceeds 16.6 percent of the total budgeted expenditures for a county school district fund is not subject to collective bargaining negotiations, must not be considered by a fact finder or arbitrator in determining the financial ability to pay compensation or monetary benefits and must be transferred to the Education Stabilization Account in the State Education Fund.

**Section 1.** NAC 354.660 is hereby amended to read as follows:

354.660 1. Except as otherwise provided in this section, for the purposes of chapter 288 of NRS, a budgeted ending fund balance of not more than 16.67 percent of the total budgeted expenditures, less capital outlay, for a general fund:

(a) Is not subject to negotiations with an employee organization; and

(b) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits.

2. For the purposes of chapter 288 of NRS, a budgeted ending fund balance of not more than 8.3 percent of the total budgeted expenditures for a local government special revenue fund which receives revenue from property taxes or the Local Government Tax Distribution Account:

(a) Is not subject to negotiations with an employee organization; and

(b) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits.

3. For a school district, for the purposes of chapter 288 of NRS ~~16.67~~ :

*(a) A budgeted ending fund balance of not more than ~~16.67~~ 12 percent of the total budgeted expenditures for a county school district fund:*

~~(a)~~ *(1)* Is not subject to negotiations with an employee organization; and

~~(b)~~ *(2)* Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits ~~16.67~~ ; *and*

*(b) Any portion of a budgeted ending fund balance which exceeds 16.6 percent of the total budgeted expenditures for a county school district fund:*

*(1) Is not subject to negotiations with an employee organization;*

*(2) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits; and*

*(3) Except as otherwise provided in section 77 of chapter 624, Statutes of Nevada 2019, at page 4252, must be transferred to the Education Stabilization Account pursuant to NRS 387.1213.*