

MEETING NOTICE AND AGENDA

COMMITTEE ON LOCAL GOVERNMENT FINANCE SUBCOMMITTEE ON AMENDING NAC 354.660

Date and Time of Meeting: **March 7, 2016** **10:00 a.m.**

Place of Meeting: **Department of Taxation
Large Conference Room
1550 College Parkway
Carson City, Nevada**

Video Conference To: **Department of Taxation
Training Room
2550 Paseo Verde, Suite 180
Henderson, Nevada**

This meeting will also be part of a teleconference. Please call the Department at (775) 684-2100 for the teleconference number.

Action will be taken on the items indicated in **BOLD**:

1. ROLL CALL AND OPENING REMARKS
2. Public Comment (See Note 2)
3. **For Possible Action: RECESS FOR ATTENDANCE AT REGULATION WORKSHOP**
The Department of Taxation will hold a workshop on behalf of the Committee on Local Government Finance to receive input on proposed language changes to the Nevada Administrative Code Chapter 354, as follows:

Proposed regulation relating to local government finance; amending NAC 354.660 by revising provisions relating to the amount of budgeted ending fund balance not subject to negotiations with other local governments or employee organizations and to conform to changes made to NRS 354.6241(3) by SB 168(2015)

4. **For Possible Action: RECONVENE REGULAR MEETING**
5. **For Possible Action: DISCUSSION AND CONSIDERATION OF RECOMMENDATIONS REGARDING REGULATORY AMENDMENTS TO NAC 354.660**
6. **For Possible Action: SCHEDULE DATE AND REVIEW AGENDA TOPICS FOR THE NEXT MEETING**
7. Public Comment (See Note 2)
8. **For Possible Action: ADJOURNMENT**

NOTE 1: Items on this agenda may be taken in a different order than listed. Items may be combined for consideration by the Committee on Local Government Finance. Items may be pulled or removed from the agenda at any time.

NOTE 2: In consideration of others, who may also wish to provide public comment, please avoid repetition and limit your comments to no more than five (5) minutes. Public comment may be made on any issue and any discussion of those items; provided that comment will be limited to areas relevant to and within the authority of the Committee on Local Government Finance. No action will be taken on any items raised in the public comment period. At the discretion of the Chairman, public comment may be received prior to action on individual agenda items. Public Comment may not be limited based on viewpoint. Prior to the commencement and conclusion of a contested case or a quasi-judicial proceeding that may affect the due process rights of an individual, the Committee may refuse to consider public comment. See NRS 233B.126.

NOTE 3: We are pleased to make accommodations for members of the public who are disabled. Please notify the Department of Taxation in writing, at 1550 College Parkway, Carson City Nevada, 89706 or call (775) 684-2180 prior to the meeting.

NOTE 4: Materials and files for items on this agenda are maintained in the offices of the Department of Taxation located in Carson City, Nevada. Requests for copies of materials and files for items on this agenda may be made to:

Terry Rubald, Deputy Executive Director, Department of Taxation 1550 College Parkway Carson City, NV 89701

Notice of this meeting was posted in the following Carson City, Nevada location: Department of Taxation 1550 College Parkway; Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street

Notice of this meeting was emailed for posting to the following locations: Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, Reno; Department of Taxation, 2550 Paseo Verde, Suite 180, Henderson; Department of Taxation, 555 E. Washington Street; Las Vegas; Clark County Office, 500 South Grand Central Parkway, Las Vegas. Notice of this meeting was also posted on the Internet through the Department of Taxation website at www.tax.nv.gov, on the Legislative website at www.leg.state.nv.us and on the Department of Administration website at <https://notice.nv.gov/>.



STATE OF NEVADA
DEPARTMENT OF TAXATION

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NOTICE OF WORKSHOP

To Solicit Comments on Proposed Regulations

To: To All Interested Parties

From: Terry Rubald, Deputy Executive Director, Department of Taxation

Date: February 19, 2016

Re: Workshop on Proposed Regulations to be adopted by the Committee on Local Government Finance

The Department of Taxation will hold a workshop on behalf of the Committee on Local Government Finance to receive input on proposed language changes to the Nevada Administrative Code Chapter 354. The proposed permanent regulation amends NAC 354.660 to include changes enacted in SB 168, which amended NRS 354.6241(3). NRS 354.6241(3) provides that for any local government other than a school district, for the purposes of Chapter 288 of NRS, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay, for a general fund is not subject to negotiations with an employee organization; and 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.

Date and Time of Meeting: March 7, 2016 10:00 a.m.

The workshop will be held at the following locations:

Place of Meeting:
Department of Taxation
Large Conference Room
1550 College Parkway
Carson City, Nevada

Video Conference To:
Department of Taxation
Training Room
2550 Paseo Verde, Suite 180
Henderson, Nevada

This meeting will also be part of a teleconference. Please call the Department at (775) 684-2100 for the teleconference number. Contact the Department at the Carson City address listed above, or Terry Rubald at (775) 684-2095 for questions about the workshop and for copies of materials that will be part of the record.

All interested parties will have the opportunity to present their ideas for suggested language at this workshop. The Department encourages you to provide your suggestions in writing. Although the Department requests interested parties submit written suggestions at least one week in advance so the ideas can be disseminated to others, written comments may be accepted at any time.

NOTE: We are pleased to make accommodations for members of the public who are disabled. Please notify the Department of Taxation in writing, at 1550 College Parkway, Carson City, Nevada, 89706 or call (775) 684-2100 prior to the meeting.

Notice of this meeting was posted in the following Carson City, Nevada location: Department of Taxation, 1550 College Parkway; Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street. **Notice of this meeting was emailed for posting to the following locations:** Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, Reno; Department of Taxation, 2550 Paseo Verde, Suite 180, Henderson; Department of Taxation, 555 E. Washington Street; Las Vegas; Clark County Office, 500 South Grand Central Parkway, Las Vegas. Notice of this meeting was also posted on the Internet through the Department of Taxation website at www.tax.nv.gov, on the Legislative website at www.leg.state.nv.us and on the Department of Administration website at <https://notice.nv.gov/>.

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

LCB File No.

Presented to CLGF workshop on March 7, 2016

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

AUTHORITY: §§ 1-4, NRS 354.107(1)

A REGULATION relating to local government finance; revising provisions relating to the amount of budgeted ending fund balance not subject to negotiations with other local governments or employee organizations.

Section 1. NAC 354.660 is hereby amended as follows:

1. For any local government other than a school district, for the purposes of chapter 288 of NRS, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay for a general fund is not subject to negotiations with an employee organization. and 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. A budgeted ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay, , ~~[for a general or special revenue fund]~~ *for a school district general fund or local government special revenue fund* which receives revenue from property taxes or the Local Government Tax Distribution Account is not subject to negotiations with other local governments or employee organizations.

Terry Rubald

From: Terry Rubald
Sent: Monday, February 22, 2016 7:34 AM
To: Terry Rubald; Christina M. Griffith; Anita Moore
Subject: Request for Input on Small business Impact of proposed regulation
Attachments: Small Business Impact Questionnaire - Amendment to NAC 354-660.pdf

Dear Small Business Owner or Representative:

The Committee on Local Government Finance (CLGF) will hold a workshop on proposed regulations concerning the amendment to NAC 354.660 regarding the amount of budgeted ending fund balance of a local government subject to negotiations with other local governments or employee organizations. The workshop will be held on March 7, 2016. On behalf of CLGF, the Department of Taxation is extending its effort to determine whether the proposed regulation is likely to impose a direct and significant economic burden or restrict the formation, operation or expansion of a small business. At this point, the Department concludes the regulation only affects the activities of a local government, and therefore there is no direct or significant burden on small businesses. **Nevertheless, we are soliciting your input in case we have overlooked any effects of which we were unaware.**

Please examine the attached regulation and questionnaire, and if you would like to respond, please send the completed questionnaire to my attention via email, trubald@tax.state.nv.us, fax (775-684-2020), or mail to the address on the form.

Thank you for your time,

Terry E. Rubald
Deputy Executive Director
Department of Taxation
1550 College Parkway
Carson City, NV 89701
(775) 684-2095

This message and attachments are intended only for the addressee(s) and may contain information that is privileged and confidential. If the reader of the message is not the intended recipient or an authorized representative of the intended recipient, I did not intend to waive and do not waive any privileges or the confidentiality of the messages and attachments, and you are hereby notified that any dissemination of this communication is strictly prohibited.

**Nevada Department of Taxation
Local Government Services Division**

**Small Business Impact Statement and Questionnaire
(Response Requested by March 7, 2016)**

Proposed Regulation Amending NAC 354.660

The proposed regulation amends NAC 354.660, revising provisions relating to the amount of budgeted ending fund balance not subject to negotiations with other local governments or employee organizations. A copy of the draft regulation is enclosed.

The Department's preliminary analysis indicates there is no direct and significant economic burden on small businesses based on the contents of the proposed regulation. Nevertheless, the Department solicits comment from small businesses as to whether the regulation poses a direct and significant economic burden on the business or whether the business anticipates the regulation would directly restrict the formation, operation, or expansion of the small business. Your input is needed to have a complete analysis of the economic effect of the regulation on small business.

Please answer each of the questions that apply and add any qualifying remarks that may help us to understand your position. Mail, FAX or Email your completed form by March 7, 2016:

Terry E. Rubald
Deputy Executive Director
Nevada Department of Taxation
1550 College Parkway
Carson City, Nevada 89706
trubald@tax.state.nv.us
FAX: (775) 684-2020

Brief Description of Proposed Changes to the Regulation

This regulation was proposed to generally clarify and incorporate changes made by the passage of SB 168 (2015). NAC 354.660 as currently written provides that a budgeted ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay, for a general or special revenue fund is not subject to negotiations with other local governments or employee organizations. The proposed amendment provides an exception to this general rule for general funds of local governments other than school districts. General funds of local governments other than school districts may have a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay subject to negotiations.

THANK YOU FOR YOUR TIME IN RESPONDING TO THIS QUESTIONNAIRE.

Small Business Impact Questionnaire Proposed Regulation Amending NAC 354.660

Part A. CONTACT INFORMATION

<i>NAME OF SMALL BUSINESS :</i>					
<i>NAME OF CONTACT PERSON</i>				<i>TITLE</i>	
<i>MAILING ADDRESS (STREET ADDRESS OR P.O. BOX)</i>				<i>EMAIL ADDRESS:</i>	
<i>CITY</i>	<i>STATE</i>	<i>ZIP CODE</i>	<i>DAYTIME PHONE</i> ()	<i>ALTERNATE PHONE</i> ()	<i>FAX NUMBER</i> ()

Part B. Is the business listed above a “small business”? Please check the appropriate box.

NRS 233B.0382 defines a small business as a business conducted for profit, which employs fewer than 150 full-time or part-time employees.

My business employs fewer than 150 full-time or part-time employees.

My business employs 150 or more full-time or part-time employees.

Part C. If your business employs fewer than 150 full-time or part-time employees, please answer the following questions:

1. Do you anticipate a specific proposed regulatory provision will have a direct and significant economic burden upon your business?

Yes No

If you checked the “yes” box, please list each regulatory provision (e.g., Section 2 amending NAC 354.660), and describe the direct and significant economic burden it will have on your business. Attach additional sheets if necessary.

2. Do you anticipate the proposed regulations will directly restrict the formation, operation or expansion of your small business? Yes No

If you checked the “yes” box, please list each regulatory provision (e.g., Section 2 amending NAC 354.660) , and describe the restriction it will have on your business. Attach additional sheets if necessary.

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

LCB File No.

Version 2, Presented to CLGF workshop on March 7, 2016

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

AUTHORITY: §§ 1-4, NRS 354.107(1)

A REGULATION relating to local government finance; revising provisions relating to the amount of budgeted ending fund balance not subject to negotiations with other local governments or employee organizations.

Section 1. NAC 354.660 is hereby amended as follows:

1. *For school districts and for all funds except the general fund of any other local government*, a budgeted ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay, for a general or special revenue fund which receives revenue from property taxes or the Local Government Tax Distribution Account is not subject to negotiations with other local governments or employee organizations.
2. *For any local government other than a school district, for the purposes of chapter 288 of NRS, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay for a general fund is not subject to negotiations with an employee organization.*