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POSTED – May 5, 2016

NOTICE OF PUBLIC HEARING
FOR THE ADOPTION OF PERMANENT REGULATION OF THE
COMMITTEE ON LOCAL GOVERNMENT FINANCE

The Committee on Local Government Finance (CLGF) will hold a public hearing on June 7, 2016 commencing at 9:00 a.m. at the Nevada State Legislative Building, 401 South Carson Street, Room 2135, Carson City, Nevada, Grant Sawyer State Office Building, 555 East Washington Avenue, Fourth Floor, Room 4401, Las Vegas, Nevada. CLGF will receive testimony from all interested persons and consider and take action on proposed permanent adoption of amendments, additions and deletions to the Nevada Administrative Code as identified in **LCB File No. R053-16**. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, CLGF may proceed immediately to act upon any written submissions:

1. **The Need for and Purpose of the Proposed Permanent Regulations.**

The need and purpose of the proposed permanent regulation, **LCB File No. R053-16**, is to amend 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. The amendments incorporate changes enacted by Senate Bill No. 168, Chapter 490, Statutes of Nevada 2015 at page 2967.

2. **Terms or Substance of the Proposed Permanent Regulation or Description of the Subjects and Issues Involved.**

First: This regulation incorporates statutory language to provide that for the general fund only of a local government other than a school district, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay, is not subject to negotiations and cannot be considered by a fact finder or arbitrator as ability to pay.

Second: This regulation provides that a budgeted ending fund balance of not more than 8.3 percent of the total budgeted expenditures, less capital outlay for a school district general fund or certain special revenue funds of a local government are not subject to collective bargaining negotiations and cannot be considered by a fact finder or arbitrator as ability to pay.

3. **Estimated Economic Effect of the Proposed Permanent Regulation on the Business which it is to Regulate, and the Public.**

A. Adverse and Beneficial Effects.

The proposed permanent regulation presents no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public. This regulation has the beneficial effect of clarifying and incorporating changes made by the passage of SB 168 (2015) so that local governments may effectively implement the changes in budgets. The regulation does not directly affect private businesses.

B. Immediate and Long-Term Effects.

The immediate and long-term effects will be to improve efficiency and reduce costs associated with the administration of budgeting functions of local governments.

4. **The Methods Used by the Agency in Determining the Impact on a Small Business.**

The Department mailed or emailed a Small Business Impact Statement and Questionnaire on prior to the workshop held on March 7, 2016 to persons and businesses on the Department's interested parties list. No responses were received. Because of the nature of the regulation, the Department believes there is no impact on a small business.

5. Estimated Cost to Agency for Enforcement of the Proposed Permanent Regulation.

The estimated cost to the Department of Taxation is minimal, as the changes will be incorporated into existing procedures for review of local government budgets.

6. Regulations of Other State or Local Governmental Agencies which the Proposed Permanent Regulation Overlaps or Duplicates and the Necessity Therefore.

The proposed permanent regulation does not overlap or duplicate regulations of other state or local governmental agencies.

7. Establishment of New Fee or Existing Fee Increase.

None.

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 Department of Taxation, 1550 College Parkway, Suite 115, Carson City, Nevada 89706. **Written submissions must be received at least two weeks prior to the above scheduled public hearing.**

A copy of this notice and the proposed permanent regulations to be adopted and amended will be on file at the Nevada State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed permanent regulations to be adopted and amended will be available at the Department of Taxation, at the addresses listed below and on the Department of Taxation website, <http://tax.nv.gov/> and in all counties in which an office of the Department of Taxation is not maintained, at the main public library, for inspection and copying by members of the public during business hours. The text of the proposed permanent regulations 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.

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.

Marvin Leavitt, Chairman



By Terry E. Rubald, Deputy Executive Director
Department of Taxation
May 5, 2016

Note 1: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the workshop. If special arrangements for the meeting are necessary, please notify the Department of Taxation in writing, at 1550 E. College Parkway, Carson City Nevada, 89706 or call (775) 684-2180 prior to the meeting.

Note 2: Materials and files for items on this notice 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 notice may be made to:
Terry Rubald, Deputy Executive Director, Department of Taxation, 1550 College Parkway, Suite 115, Carson City, NV 89706

Note 3: Notice of this meeting was posted in the following Carson City, Nevada locations: Department of Taxation, 1550 E. 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 posted on the Internet through the Department of Taxation website <http://tax.nv.gov/> and on the Internet website maintained by the Legislative Counsel Bureau <http://leg.state.nv.us/> and the Department of Administration website <https://notice.nv.gov/>.