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ASSEMBLY BILL NO. 71—COMMITTEE ON  
LEGISLATIVE OPERATIONS AND ELECTIONS

(ON BEHALF OF THE CITY OF NORTH LAS VEGAS)

PREFILED DECEMBER 15, 2010

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Referred to Committee on Legislative Operations and Elections

**SUMMARY**—Directs the Legislative Commission to conduct an interim study concerning the equitable allocation of money distributed from the Local Government Tax Distribution Account. (BDR S-256)

**FISCAL NOTE:** Effect on Local Government: No.  
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.

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**AN ACT** relating to taxation; directing the Legislative Commission to conduct an interim study concerning the equitable allocation of money distributed from the Local Government Tax Distribution Account; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires the deposit of certain proceeds from liquor taxes,  
2 cigarette taxes, real property transfer taxes, city-county relief taxes and  
3 governmental services taxes into the Local Government Tax Distribution Account.  
4 (NRS 369.173, 370.260, 375.070, 377.055, 377.057, 482.181) Under existing law,  
5 the Executive Director of the Department of Taxation is required to allocate the  
6 money deposited in the Account to local governments, special districts and  
7 enterprise districts in each county in accordance with a specified formula. (NRS  
8 360.680, 360.690)  
9 This bill requires the Legislative Commission to appoint a subcommittee to  
10 conduct an interim study to examine whether the formula for the allocation of  
11 money distributed from the Local Government Tax Distribution Account results in  
12 an equitable allocation to all those governmental entities, including any local  
13 library districts that do not currently receive such an allocation, and, if not, to  
14 consider possible alternative methodologies to achieve a more equitable allocation.

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

1       **Section 1.** 1. The Legislative Commission shall appoint a  
2 subcommittee, consisting of three members of the Senate and three  
3 members of the Assembly, to conduct a study during the 2011-2013  
4 interim concerning the formula for the allocation of money  
5 distributed from the Local Government Tax Distribution Account.

6       2. The subcommittee appointed pursuant to subsection 1 shall,  
7 without limitation:

8       (a) Review the structural components of the formula used for the  
9 allocation of money distributed from the Local Government Tax  
10 Distribution Account to local governments, special districts and  
11 enterprise districts from the inception of the formula to the present  
12 day; and

13       (b) Examine whether the formula results in an equitable  
14 allocation among all those governmental entities, including, without  
15 limitation, any local library districts which do not currently receive  
16 such an allocation, and, if not, consider possible alternative  
17 methodologies to achieve a more equitable allocation among all  
18 those governmental entities.

19       3. Any recommendations for legislation proposed by the  
20 subcommittee must be approved by a majority of the members of  
21 the Senate and a majority of the members of the Assembly  
22 appointed to the subcommittee.

23       4. The Legislative Commission shall submit a report of the  
24 results of the study and any recommendations for legislation to the  
25 77th Session of the Nevada Legislature.

26       **Sec. 2.** This act becomes effective on July 1, 2011.

