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SENATE BILL NO. 51—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE NEVADA LEAGUE OF  
CITIES AND MUNICIPALITIES)

PREFILED NOVEMBER 19, 2024

Referred to Committee on Government Affairs

**SUMMARY**—Provides for reimbursement of cities and counties for reductions or subsidies of certain fees for affordable housing projects. (BDR 25-438)

**FISCAL NOTE:** Effect on Local Government: No.  
Effect on the State: Contains Appropriation not included in Executive Budget.

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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 housing; creating the Account for Housing Expansion Through Local Partnerships; authorizing the use of money in the Account to reimburse cities and counties for the cost of reducing or subsidizing certain fees to assist in maintaining or developing a project for affordable housing; making an appropriation to the Account; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires a planning commission to adopt a master plan for the  
2 physical development of the city, county or region served by the planning  
3 commission, and the governing body of certain cities and counties to adopt all or  
4 part of a master plan for use as a basis for the development of the city, county or  
5 region. (NRS 278.150) Under existing law, the master plan adopted by the  
6 governing body of certain cities and counties is required to include a housing  
7 element, which includes certain information relating to housing. (NRS 278.150,  
8 278.160) If the governing body of a city or county is required to include the  
9 housing element in its master plan, existing law requires the governing body to  
10 adopt at least six of the measures for maintaining and developing affordable  
11 housing which are listed in statute. (NRS 278.235) One such measure which the  
12 governing body of a city or county is authorized to adopt to meet this requirement  
13 is reducing or subsidizing in whole or in part impact fees, certain fees for the



14 issuance of building permits and fees imposed for the purpose for which an  
15 enterprise fund was created. (NRS 278.235)

16 **Sections 1-3** of this bill establish a process for a city or county to request  
17 reimbursement from the State for the cost of reducing or subsidizing such fees.  
18 **Section 2** creates the Account for Housing Expansion Through Local Partnerships  
19 in the State General Fund and sets forth provisions governing the administration of  
20 the Account. **Section 3** authorizes a city or county to submit a request to the  
21 Housing Division of the Department of Business and Industry for reimbursement  
22 from the Account for the cost of reducing or subsidizing such fees. **Section 3**  
23 requires the Division to transmit requests which the Division determines should be  
24 approved to the State Board of Examiners. Under **section 3**, if the State Board of  
25 Examiners determines that an allocation from the Account should be made, the  
26 State Board of Examiners is required to recommend the allocation to the Interim  
27 Finance Committee for its independent evaluation and action. **Sections 2 and 3**  
28 require approval from the Interim Finance Committee before any distribution from  
29 the Account is made.

30 Except under certain circumstances, existing law prohibits the Interim Finance  
31 Committee from exercising the powers conferred upon it when the Legislature is in  
32 a regular or special session. (NRS 218E.405) **Section 4** of this bill authorizes the  
33 Interim Finance Committee to perform the duties imposed on it by **section 3** during  
34 a regular or special session of the Legislature.

35 **Section 5** of this bill appropriates \$20,000,000 to the Account for the purpose  
36 of reimbursing cities and counties pursuant to **sections 2 and 3**.

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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 and 3 of this act.

3 **Sec. 2. 1. *The Account for Housing Expansion Through***  
4 ***Local Partnerships is hereby created in the State General Fund.***  
5 ***The Division shall administer the Account.***

6 ***2. The Division may accept grants, gifts, donations or other***  
7 ***sources of money for deposit in the Account.***

8 ***3. The interest and income earned on money in the Account,***  
9 ***after deducting any applicable charges, must be credited to the***  
10 ***Account. All claims against the Account must be paid as other***  
11 ***claims against the State are paid.***

12 ***4. Any money remaining in the Account at the end of a fiscal***  
13 ***year does not revert to the State General Fund, and the balance in***  
14 ***the Account must be carried forward to the next fiscal year.***

15 ***5. Money in the Account must be used only to reimburse***  
16 ***cities and counties for the cost of reducing or subsidizing impact***  
17 ***fees, fees for the issuance of building permits or fees imposed for***  
18 ***the purpose for which an enterprise fund was created to assist in***  
19 ***maintaining or developing a project for affordable housing***  
20 ***pursuant to paragraph (a) of subsection 1 of NRS 278.235. All***  
21 ***distributions from the Account must be approved by the Interim***



1 *Finance Committee in accordance with section 3 of this act before*  
2 *such distributions are made.*

3 **Sec. 3. 1.** *A county or city may request reimbursement from*  
4 *the Account for Housing Expansion Through Local Partnerships.*  
5 *The request must:*

6 *(a) Be made to the Division in such form as the Division*  
7 *prescribes.*

8 *(b) Be for an amount not to exceed the actual cost to the*  
9 *county or city to reduce or subsidize impact fees, fees for the*  
10 *issuance of building permits or fees imposed for the purpose for*  
11 *which an enterprise fund was created to assist in maintaining or*  
12 *developing a project for affordable housing pursuant to paragraph*  
13 *(a) of subsection 1 of NRS 278.235.*

14 *(c) Include proof:*

15 *(1) Of the cost to the city or county to reduce or subsidize*  
16 *impact fees, fees for the issuance of building permits or fees*  
17 *imposed for the purpose for which an enterprise fund was created*  
18 *pursuant to paragraph (a) of subsection 1 of NRS 278.235;*

19 *(2) That the requirements of subsection 2 of NRS 278.235*  
20 *were met; and*

21 *(3) That a certificate of occupancy has been issued for the*  
22 *project for affordable housing for which fees were reduced or*  
23 *subsidized.*

24 *2. The Division shall review each request for a*  
25 *reimbursement submitted pursuant to subsection 1. If the Division*  
26 *determines that a request should be approved, the Division shall*  
27 *submit a request to the State Board of Examiners for an allocation*  
28 *by the Interim Finance Committee from the Account. The State*  
29 *Board of Examiners shall consider the request, may require from*  
30 *the requester such additional information as they deem*  
31 *appropriate, and shall, if it finds that an allocation from the*  
32 *Account should be made, recommend the amount of the allocation*  
33 *to the Interim Finance Committee for its independent evaluation*  
34 *and action. The Interim Finance Committee is not bound to follow*  
35 *the recommendation of the State Board of Examiners.*

36 *3. If the Interim Finance Committee finds that a transfer*  
37 *recommended by the Division and the State Board of Examiners*  
38 *should and may lawfully be made, the Committee shall by*  
39 *resolution establish the amount and direct the State Controller to*  
40 *transfer that amount to the county or city that submitted the*  
41 *request. The State Controller shall thereupon make the transfer.*

42 **Sec. 4.** NRS 218E.405 is hereby amended to read as follows:

43 218E.405 1. Except as otherwise provided in subsection 2,  
44 the Interim Finance Committee may exercise the powers conferred



1 upon it by law only when the Legislature is not in a regular or  
2 special session.

3 2. During a regular or special session, the Interim Finance  
4 Committee may also perform the duties imposed on it by NRS  
5 228.1111, subsection 5 of NRS 284.115, NRS 285.070, subsection 2  
6 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020, NRS  
7 323.050, subsection 1 of NRS 323.100, subsection 3 of  
8 NRS 341.126, NRS 341.142, paragraph (f) of subsection 1 of NRS  
9 341.145, subsection 3 of NRS 349.073, NRS 353.220, 353.224,  
10 353.2705 to 353.2771, inclusive, 353.288, 353.335, 353.3375,  
11 353C.224, 353C.226, paragraph (b) of subsection 4 of NRS  
12 407.0762, NRS 428.375, 433.732, 439.4905, 439.620, 439.630,  
13 445B.830, subsection 1 of NRS 445C.320 and NRS 538.650 **H and**  
14 **section 3 of this act.** In performing those duties, the Senate Standing  
15 Committee on Finance and the Assembly Standing Committee on  
16 Ways and Means may meet separately and transmit the results of  
17 their respective votes to the Chair of the Interim Finance Committee  
18 to determine the action of the Interim Finance Committee as a  
19 whole.

20 3. The Chair of the Interim Finance Committee may appoint a  
21 subcommittee consisting of six members of the Committee to  
22 review and make recommendations to the Committee on matters of  
23 the State Public Works Division of the Department of  
24 Administration that require prior approval of the Interim Finance  
25 Committee pursuant to subsection 3 of NRS 341.126, NRS 341.142  
26 and paragraph (f) of subsection 1 of NRS 341.145. If the Chair  
27 appoints such a subcommittee:

28 (a) The Chair shall designate one of the members of the  
29 subcommittee to serve as the chair of the subcommittee;

30 (b) The subcommittee shall meet throughout the year at the  
31 times and places specified by the call of the chair of the  
32 subcommittee; and

33 (c) The Director or the Director's designee shall act as the  
34 nonvoting recording secretary of the subcommittee.

35 **Sec. 5.** There is hereby appropriated from the State General  
36 Fund to the Account for Housing Expansion Through Local  
37 Partnerships created by section 2 of this act the sum of \$20,000,000  
38 to reimburse cities and counties pursuant to section 3 of this act for  
39 the cost of reducing or subsidizing impact fees, fees for the issuance  
40 of building permits or fees imposed for the purpose for which an  
41 enterprise fund was created pursuant to paragraph (a) of subsection  
42 1 of NRS 278.235.

43 **Sec. 6.** This act becomes effective upon passage and approval.

