# State of Nevada

# STATEWIDE BALLOT QUESTIONS

2018



# To Appear on the November 6, 2018 General Election Ballot

Issued by

Barbara K. Cegavske Secretary of State

# **BARBARA K. CEGAVSKE**

Secretary of State

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STATE OF NEVADA

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Dear Fellow Nevadan:

As the November 6, 2018 general election approaches, it is the responsibility of the Secretary of State's office to ensure voters have the information necessary to make informed decisions on the six statewide ballot questions that will be presented to them this year. Accordingly, the Secretary of State's office has prepared this informational booklet that provides the exact wording and a brief summary of each statewide ballot question, as well as fiscal notes detailing the potential financial impacts to the government. Arguments for and against passage of each statewide ballot question are also provided.

For your reference, Ballot Question Numbers 1 and 2 qualified for the ballot through the legislative process. Question 1 seeks to amend the *Nevada Constitution*, while Question 2 proposes to amend existing statutes found in the *Nevada Revised Statutes*. This is the first time both Questions 1 and 2 will be presented to the voters, and if approved by the voters in November, the amendments sought by both questions will become law.

Ballot Question Numbers 3 and 4 propose amendments to the *Nevada Constitution* and qualified for the ballot via initiative petitions filed during the 2016 election cycle. Both Questions 3 and 4 appeared on the 2016 general election ballot, and both were approved by the voters. If successful at this election, the constitutional amendments sought by Questions 3 and 4 will become law.

Ballot Question Number 5 proposes to amend existing statute found in the *Nevada Revised Statutes* and qualified for the ballot through an initiative petition filed in 2016. The initiative was presented to the Nevada Legislature in 2017 but was vetoed by the Governor after gaining approval in both houses of the Nevada Legislature. As a result, the initiative will now be presented to the voters. If approved by the voters this year, the statutory amendments proposed by the initiative will become law.

Ballot Question Number 6 proposes an amendment to the *Nevada Constitution* and qualified for the ballot through an initiative petition filed in 2018. If successful at this election, Question 6 will appear again on the 2020 general election ballot.

I encourage you to carefully review and consider each of the ballot questions prior to Election Day on November 6, 2018. As a voter, your decisions on these ballot questions are extremely important, as they may create new laws, amend existing laws, or amend the *Nevada Constitution*.

Thank you for your attention on this important matter. If you require additional information, please do not hesitate to contact the Elections Division at (775) 684-5705 or visit the Secretary of State's website at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

Respectfully,

Barbara K. Cegavske Secretary of State

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# 2018 STATEWIDE BALLOT QUESTIONS SUMMARY

<b>Question No.</b>	Title	Originated	If Passed in 2018
1	Marsy's Law	Senate Joint Resolution 17 (78 <sup>th</sup> Session)	Becomes Law
2	Exemption of Feminine Hygiene Products from Sales Tax	Senate Bill 415 (79 <sup>th</sup> Session)	Becomes Law
3	The Energy Choice Initiative	Initiative Petition	Becomes Law
4	Medical Patient Tax Relief Act	Initiative Petition	Becomes Law
5	The Automatic Voter Registration Initiative	Initiative Petition	Becomes Law
6	The Renewable Energy Promotion Initiative	Initiative Petition	Will go to the 2020 General Election Ballot

# **STATE QUESTION NO. 1**

### Amendment to the Nevada Constitution

Senate Joint Resolution No. 17 of the 78th Session

### **CONDENSATION (Ballot Question)**

Shall the *Nevada Constitution* be amended to: (1) remove existing provisions that require the Legislature to provide certain statutory rights for crime victims; and (2) adopt in their place certain expressly stated constitutional rights that crime victims may assert throughout the criminal or juvenile justice process?

Yes □ No □

### **EXPLANATION & DIGEST**

**EXPLANATION**—This ballot measure would amend the *Nevada Constitution* by: (1) removing existing provisions that require the Legislature to provide certain statutory rights for crime victims; and (2) replacing those existing provisions with a "Victims' Bill of Rights" that would give crime victims certain expressly stated constitutional rights that they may assert throughout the criminal or juvenile justice process.

This ballot measure is modeled on a similar ballot measure known as "Marsy's Law" that California voters approved as an amendment to the *California Constitution* in 2008. However, the Legislature made several revisions in drafting Nevada's ballot measure, and thus there are some differences between this ballot measure and California's Marsy's Law.

In 1996, Nevada voters amended the *Nevada Constitution* to impose a constitutional duty on the Legislature to enact laws expressly providing for the following rights of crime victims that may be asserted personally or through a representative: (1) the right to be informed, upon written request, of the status or disposition of a criminal proceeding at any stage of the proceeding; (2) the right to be present at all public hearings involving the critical stages of a criminal proceeding; and (3) the right to be heard at all proceedings for the sentencing or release of a convicted person after trial. In accordance with the 1996 amendment, the Legislature has—throughout the past two decades—enacted and amended laws expressly providing for statutory rights of crime victims. This ballot measure would remove the constitutional provisions added in 1996 and replace them with new state constitutional rights that crime victims may assert throughout the criminal or juvenile justice process.

This ballot measure defines a "victim" of crime as: (1) any person directly and proximately harmed by the commission of a criminal offense under any law of this State; or (2) if the victim is

less than 18 years of age, incompetent, incapacitated or deceased, the legal guardian of the victim or a representative of the victim's estate, member of the victim's family or any other person who is appointed by the court to act on the victim's behalf, except that the court cannot appoint the criminal defendant as such a person.

This ballot measure sets forth the following state constitutional rights that victims may assert throughout the criminal or juvenile justice process:

- 1) the right to be treated with fairness and with respect for the victim's privacy and dignity, and to be free from intimidation, harassment and abuse;
- 2) the right to be reasonably protected from the defendant and persons acting on behalf of the defendant;
- 3) the right to have the safety of the victim and the victim's family considered as a factor in fixing the amount of bail and release conditions for the defendant;
- 4) the right to prevent the disclosure of confidential information or records to the defendant which could be used to locate or harass the victim or the victim's family;
- 5) the right to refuse an interview or deposition request, unless under court order, and to set reasonable conditions on the conduct of any such interview to which the victim consents;
- 6) the right to reasonably confer with the prosecuting agency, upon request, regarding the case;
- 7) the right to the timely disposition of the case following the arrest of the defendant;
- 8) the right to reasonable notice of all public proceedings, upon request, at which the defendant and the prosecutor are entitled to be present and of all parole or other postconviction release proceedings, and to be present at all such proceedings;
- 9) the right to be reasonably heard, upon request, at any public proceeding in any court involving release or sentencing, and at any parole proceeding;
- 10) the right to provide information to any public officer or employee conducting a presentence investigation concerning the impact of the offense on the victim and the victim's family and any sentencing recommendations before the sentencing of the defendant;
- 11) the right to full and timely restitution and to have all monetary payments, money and property collected from any person who has been ordered to make restitution be first applied to pay the amounts ordered as restitution to the victim;
- 12) the right to the prompt return of legal property when no longer needed as evidence;

- 13) the right to be informed, upon request, of the conviction, sentence, place and time of incarceration, or other disposition of the defendant, the scheduled release date of the defendant and the release of or the escape by the defendant from custody;
- 14) the right to be informed of all postconviction proceedings, to participate and provide information to the parole authority to be considered before the parole of the defendant and to be notified, upon request, of the parole or other release of the defendant;
- 15) the right to have the safety of the victim, the victim's family and the general public considered before any parole or other postjudgment release decision is made; and
- 16) the right to be specifically informed of these constitutional rights and to have information concerning these constitutional rights be made available to the general public.

This ballot measure also provides that the granting of these constitutional rights to victims must not be interpreted to deny or disparage other rights possessed by victims, and this ballot measure authorizes the Legislature to enact any necessary or useful laws to secure to victims the benefit of these constitutional rights.

This ballot measure also provides that a victim has standing to assert these constitutional rights in any court with jurisdiction over the case and that the court must promptly rule on the victim's request, but the victim is not given the status of a party in a criminal proceeding. The victim also may bring a lawsuit to compel a public officer or employee to carry out any duty required by this ballot measure or any law enacted thereto. However, no victim or other person may maintain any other lawsuit against this State or any public officer or employee for damages or certain other judicial relief as a result of a violation of this ballot measure or any law enacted thereto.

This ballot measure also states that the defendant does not have standing to assert the rights of any victims, and no violation of this ballot measure or any law enacted thereto authorizes setting aside the defendant's conviction. This ballot measure also states that it does not alter the powers, duties or responsibilities of a prosecuting attorney.

Finally, this ballot measure states that, in addition to the constitutional right given to victims to be heard at the defendant's parole hearing, the parole authority must extend the constitutional right to be heard at a parole hearing to any person harmed by the defendant.

A "Yes" vote would remove existing provisions of the *Nevada Constitution* that require the Legislature to provide certain statutory rights for crime victims and would replace those existing provisions with new state constitutional rights that crime victims may assert throughout the criminal or juvenile justice process.

A "No" vote would keep existing provisions of the *Nevada Constitution* that require the Legislature to provide certain statutory rights for crime victims and would not change those existing statutory rights that crime victims may assert throughout the criminal or juvenile justice process.

**DIGEST**—This ballot measure would remove existing provisions of the *Nevada Constitution* that require the Legislature to provide certain statutory rights for crime victims and would replace those existing provisions with new state constitutional rights that crime victims may assert throughout the criminal or juvenile justice process. By creating these new constitutional rights, this ballot measure would add to or change existing laws as summarized below. This ballot measure also would decrease public revenue because: (1) it entitles crime victims to full and timely restitution; and (2) it further provides that all monetary payments, money and property collected from a person ordered to pay such restitution must be applied first to pay all victims, which means that until all victims receive full and timely restitution, the State and local governments may not receive assessments, fees, fines, forfeitures and other charges that the person ordered to pay such restitution may legally owe to those governmental entities.

As required by existing provisions of the *Nevada Constitution*, the Legislature has enacted and amended existing laws expressly providing for statutory rights of crime victims. For purposes of those existing laws, the Legislature has generally defined the term "victim" as: (1) a person against whom a crime has been committed or who has been injured or killed as a direct result of the commission of a crime; and (2) certain relatives of such a victim. Under this ballot measure, the term "victim" is defined as: (1) any person directly and proximately harmed by the commission of a criminal offense under any law of this State; or (2) if the victim is less than 18 years of age, incompetent, incapacitated or deceased, the legal guardian of the victim or a representative of the victim's estate, member of the victim's family or any other person who is appointed by the court to act on the victim's behalf, except that the court cannot appoint the criminal defendant as such a person. The definition of "victim" in this ballot measure is similar to the definition of "crime victim" used in existing federal law commonly known as the federal Crime Victims' Rights Act of 2004.

Existing laws give victims statutory rights that may be enforced in court actions against public officers or employees who fail to perform any duty arising under those laws. This ballot measure would add to those existing laws by giving victims new state constitutional rights that may be enforced in court actions against public officers or employees who fail to perform any duty arising under this ballot measure or any laws enacted thereto. This ballot measure also would give victims standing to assert their rights in any court with jurisdiction over the case and require the court to promptly rule on their requests. However, this ballot measure would not give victims the status of a party in a criminal proceeding, and no victim or other person may maintain any other lawsuit against this State or any public officer or employee for damages or certain other judicial relief as a result of a violation of this ballot measure or any law enacted thereto.

Existing laws give victims statutory rights intended to protect their privacy and dignity, protect them from intimidation, harassment and abuse, protect them from the defendant and persons acting on the defendant's behalf and protect the confidentiality of their personal information. This ballot measure would add to those existing laws by giving victims the following new state constitutional rights: (1) to be treated with fairness and with respect for their privacy and dignity; (2) to be free from intimidation, harassment and abuse; (3) to be reasonably protected from the defendant and persons acting on the defendant's behalf; and (4) to prevent the disclosure of

confidential information or records to the defendant which could be used to locate or harass victims or their families.

Existing provisions of the *Nevada Constitution* entitle the defendant, before conviction, to be released on bail except for certain capital offenses or murders. Under existing laws, when the court sets the amount of bail and determines whether to impose conditions on the defendant's release, the court considers several factors, including whether the defendant's release would pose any danger to victims, other persons and the community. This ballot measure would add to those existing laws by giving victims new state constitutional rights to have the safety of victims and their families considered as a factor in fixing the amount of the defendant's bail and any release conditions.

Existing laws do not require victims, without their consent, to participate in interviews or deposition requests during the criminal or juvenile justice process, unless they are under a court order. This ballot measure would add to those existing laws by giving victims new state constitutional rights to refuse interviews or deposition requests during the criminal or juvenile justice process, unless they are under a court order, and to set reasonable conditions on the conduct of any interviews to which they consent.

Existing laws require the prosecutor to take certain actions to notify and inform victims regarding the case against the defendant and to protect victims from intimidation, harassment and abuse. This ballot measure would add to those existing laws by giving victims new state constitutional rights to reasonably confer with the prosecutor, upon request, regarding the case against the defendant. However, this ballot measure would not alter the powers, duties or responsibilities of the prosecutor.

Existing laws allow the court to consider whether victims will be adversely impacted by requested continuances, postponements or other delays during the criminal or juvenile justice process. This ballot measure would add to those existing laws by giving victims new state constitutional rights to the timely disposition of the case following the defendant's arrest.

Existing laws require victims' property to be returned promptly when the property is no longer needed as evidence. This ballot measure would add to those existing laws by giving victims new state constitutional rights to the prompt return of legal property when the property is no longer needed as evidence.

Existing laws give victims statutory rights to receive notice, attend, participate, provide information and be heard during certain stages of the criminal or juvenile justice process. This ballot measure would add to those existing laws by giving victims the following new state constitutional rights: (1) to reasonable notice of all public proceedings, upon request, at which the defendant and the prosecutor are entitled to be present and of all parole or other postconviction release proceedings, and to be present at all such proceedings; (2) to be reasonably heard, upon request, at any public proceeding in any court involving release or sentencing, and at any parole proceeding; (3) to provide information to any public officer or

employee conducting a presentence investigation concerning the impact of the offense on the victims and their families and any sentencing recommendations before the defendant's sentencing; (4) to be informed, upon request, of the defendant's conviction, sentence, place and time of incarceration, or other disposition, the defendant's scheduled release date and the defendant's release or escape from custody; and (5) to be informed of all postconviction proceedings, to participate and provide information to the parole authority to be considered before the defendant's parole and to be notified, upon request, of the defendant's parole or other release. This ballot measure also would require the parole authority to extend the constitutional right to be heard at a parole hearing to any person harmed by the defendant.

Existing laws provide that when determining whether to release the defendant on parole, the parole authority must consider several factors, including any potential threat to society posed by the defendant's release and any documents or testimony submitted by victims. This ballot measure would add to those existing laws by giving victims new state constitutional rights to have the safety of victims, their families and the general public considered before any parole or other postjudgment release decision is made.

Existing provisions of the *Nevada Constitution* provide that all fines collected under the criminal laws of this State are pledged for educational purposes. Under existing laws, the defendant may be ordered or required to pay assessments, fees, fines, forfeitures and other charges to the State and local governments and restitution to victims. This ballot measure would change those existing laws by: (1) giving victims new state constitutional rights to full and timely restitution; and (2) requiring that all monetary payments, money and property collected from a person ordered to pay such restitution must be applied first to pay all victims, which means that until all victims receive full and timely restitution, the State and local governments may not receive their assessments, fees, fines, forfeitures and other charges that the person ordered to pay such restitution may legally owe to those governmental entities.

Finally, existing laws require victims to be provided with certain information regarding their statutory rights. This ballot measure would add to those existing laws by giving victims new state constitutional rights to be specifically informed of their constitutional rights and to have information concerning those rights be made available to the general public.

# **ARGUMENTS FOR PASSAGE**

Question 1, commonly known as Marsy's Law, expands and elevates victims' rights from a statutory level to a constitutional level to ensure victims receive the fairness, respect and protection they deserve as they navigate the criminal or juvenile justice process. Question 1 gives crime victims constitutional rights equal in stature to those given to the accused and convicted. Although the *Nevada Constitution* requires the Legislature to enact certain statutory rights for crime victims, those rights are too limited and are much easier to weaken than constitutional rights.

Victims of crime have already experienced a traumatizing event and are entitled to compassionate justice. They should not be revictimized by a justice system that does not weigh their rights equally with those of the accused and convicted. By enhancing victims' rights, Question 1 provides much-needed balance at all stages of the justice system—including pretrial, trial, sentencing, probation, parole and postrelease—and guarantees victims the right to be heard at each stage. Question 1 also guarantees that victims can enforce their rights in court if those rights are being violated. Victims who are afforded more meaningful rights in the justice system are more likely to report crime and to feel safer engaging in the legal process.

Unlike current Nevada law, Question 1 establishes a clear priority for victims to receive full and timely restitution. It requires that any money collected from those ordered to pay restitution must first be paid in full to victims before going to any other use. The right to full and timely restitution—and assistance in collecting that restitution—ensures that victims get the priority they deserve.

Question 1 gives victims a voice, not a veto. Members of the legal system—including law enforcement, prosecutors, judges, juries and parole boards—retain their ability to make decisions as they see fit, but only after victims have been heard. Question 1 also does not change the rights of the accused at trial, sentencing or any other part of the legal process. It simply creates rights for victims that level the playing field in a system that all too often favors the accused.

Question 1 can be easily implemented. Federal courts have been applying similar rights to federal crimes since 2004, and several states have enacted their own versions of Marsy's Law over the last decade. Since the legal system has been applying victims' rights similar to those proposed by Question 1 for many years, implementing these enhanced rights in Nevada will not be difficult.

Nevada voters should level an unfair playing field, ensure the right to full and timely restitution and guarantee crime victims the voice they deserve. Vote "yes" on Question 1.

### **ARGUMENTS AGAINST PASSAGE**

Question 1 is a solution in search of a problem that does not exist. There is no reason to enact this complex, costly and confusing proposal because the *Nevada Constitution* and state law already guarantee comprehensive victims' rights. Question 1 removes Nevada's current constitutional and statutory framework that gives the Legislature the flexibility needed to balance victims' rights with the efficient and effective functioning of the justice system. Instead, Question 1 imposes an inflexible framework, and any unintended consequences cannot be fixed unless the *Nevada Constitution* is amended yet again—an uncertain process that typically takes more than three years.

Question 1's confusing and vague language will make it more difficult to ensure that justice is served. For example, because the unclear definition of "victim" extends to any person "directly

and proximately harmed" by the crime, it will be extremely difficult and expensive for officials to identify and notify this ill-defined group. Question 1 also includes other vague language that opens the door to lengthy delays, added expense and inconsistent application of the law. Thus, instead of helping victims, Question 1 will make it more difficult for victims to receive justice.

Question 1 undermines rights guaranteed to everyone by the *United States Constitution*, including the rights to be presumed innocent until proven guilty, to effective counsel, to confront one's accusers and to a speedy trial. For example, by allowing victims to prevent disclosure of certain information or to refuse to participate in interviews or depositions, those wrongfully accused of crimes may be denied access to information proving their innocence. The State, not the victim, is tasked with prosecuting and punishing crimes, but Question 1 allows victims to pursue their own agendas without regard to the individual constitutional rights of those accused of crimes.

Question 1 also creates complex and costly burdens on the State and local governments. The expanded notification provisions will likely require additional staff, technological changes and other resources, all of which will be paid for by taxpayers. Based on the experience of other states that have enacted their own versions of Marsy's Law, Nevada can expect costly litigation challenging the validity, interpretation and implementation of Question 1. Furthermore, Question 1's restitution requirements will decrease revenue collected by the State and local governments from assessments, fees, fines, forfeitures and other charges. These added expenses and decreases in revenue may reduce vital governmental services, including victim assistance programs.

Nevada voters should not approve this poorly written, expensive and unnecessary constitutional amendment that does nothing to improve anyone's rights. Vote "no" on Question 1.

### **FISCAL NOTE**

### FINANCIAL IMPACT – CANNOT BE DETERMINED

Anticipated Financial Impact on the State and Local Governments from the Potential Reduction in Revenue Received from Assessments, Fees, Fines, Forfeitures and Other Charges

Under existing laws, certain persons in the criminal or juvenile justice process may be ordered or required to pay assessments, fees, fines, forfeitures and other charges to the State and local governments and restitution to crime victims. The money collected from assessments, fees, fines, forfeitures and other charges provides revenue to the general operating budgets and specific programs of the State and local governments.

Under this ballot measure, all monetary payments, money and property collected from a person ordered to pay restitution must be applied first to that restitution until all victims are paid in full and then to any assessments, fees, fines, forfeitures and other charges. Therefore, because the

State and local governments will not receive revenue from these sources until full and timely restitution is paid, certain state and local governmental budgets or programs funded by these sources may be affected by a reduction in revenue.

However, the potential reduction in revenue received by the State and local governments cannot be determined because the amount of restitution that will be ordered and the amount of restitution that ultimately will be paid cannot be estimated with any reasonable degree of certainty. Consequently, the financial impact on the state and local governmental budgets or programs funded by these sources cannot be determined because it is impossible to predict how the Legislature or local governing bodies may address any impacts on these budgets or programs.

# Anticipated Financial Impact on the State from the Potential Reduction in Revenue Received from Authorized Deductions Withheld from Offenders' Wages or Individual Accounts

Under existing laws, offenders incarcerated by Nevada's Department of Corrections are subject to deductions from: (1) any wages they earn through an authorized offender employment program; and (2) any money in their individual accounts in the Prisoners' Personal Property Fund. The Director of the Department of Corrections is authorized to make these deductions to provide funding for various programs and purposes.

Under this ballot measure, all monetary payments, money and property collected from offenders ordered to pay restitution must be applied first to that restitution until all victims are paid in full and then to any authorized deductions. Therefore, because the State will not receive revenue from these deductions until full and timely restitution is paid, certain state programs and purposes funded by these deductions may be affected by a reduction in revenue.

However, the potential reduction in revenue from these authorized deductions received by the State cannot be determined because the amount of restitution that will be ordered and the amount of restitution that ultimately will be paid cannot be estimated with any reasonable degree of certainty. Consequently, the financial impact on the programs and purposes funded by these authorized deductions cannot be determined because it is impossible to predict how the Legislature may address any impacts on these programs and purposes.

# Anticipated Expenditures Needed by the State and Local Governments to Implement This Ballot Measure

The Judicial Branch and certain state agencies, such as the Department of Corrections and the Department of Public Safety, as well as local governments, may incur both one-time and ongoing expenses to carry out their additional duties under this ballot measure. However, the potential financial impact on the State and local governments cannot be determined because it is impossible to predict with any reasonable degree of certainty the amount of any one-time or ongoing expenditures that may be needed to carry out these additional duties.

#### **FULL TEXT OF THE MEASURE**

Senate Joint Resolution No. 17 of the 78th Session–Senators Roberson, Harris, Farley; Hardy and Settelmeyer

### FILE NUMBER 47

SENATE JOINT RESOLUTION—Proposing to amend the Nevada Constitution to expand the rights guaranteed to victims of crime by adopting a victims' bill of rights.

### **Legislative Counsel's Digest:**

Under the Nevada Constitution, the Legislature is required to provide by law for certain rights of the victims of crimes, in particular, the right to be informed of the status of criminal proceedings concerning those crimes, the right to be present at public hearings concerning those crimes and the right to be heard at all proceedings for the sentencing or release of persons convicted of those crimes. (Nev. Const. Art. 1, § 8)

This resolution proposes to amend the Nevada Constitution to eliminate the existing provisions of Article 1, section 8, concerning victims' rights and to add a new section that sets forth an expanded list of such rights in the form of a victims' bill of rights. The new section is modeled after the victims' bill of rights set forth in the California Constitution as it was amended in 2008 by what is commonly referred to as Marsy's Law. (Cal. Const. Art. 1, § 28)

EXPLANATION - Matter in bolded italics is new; matter between brackets fomitted material] is material to be omitted.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That a new section, designated Section 23, be added to Article 1 of the Nevada Constitution to read as follows:

- Sec. 23. 1. Each person who is the victim of a crime is entitled to the following rights:
- (a) To be treated with fairness and respect for his or her privacy and dignity, and to be free from intimidation, harassment and abuse, throughout the criminal or juvenile justice process.
- (b) To be reasonably protected from the defendant and persons acting on behalf of the defendant.
- (c) To have the safety of the victim and the victim's family considered as a factor in fixing the amount of bail and release conditions for the defendant.
- (d) To prevent the disclosure of confidential information or records to the defendant which could be used to locate or harass the victim or the victim's family.
- (e) To refuse an interview or deposition request, unless under court order, and to set reasonable conditions on the conduct of any such interview to which the victim consents.
- (f) To reasonably confer with the prosecuting agency, upon request, regarding the case.
- (g) To reasonable notice of all public proceedings, including delinquency proceedings, upon request, at which the defendant and the prosecutor are entitled to be present and of all parole or other postconviction release proceedings, and to be present at all such proceedings.
- (h) To be reasonably heard, upon request, at any public proceeding, including any delinquency proceeding, in any court involving release or sentencing, and at any parole proceeding.
  - (i) To the timely disposition of the case following the arrest of the defendant.
- (j) To provide information to any public officer or employee conducting a presentence investigation concerning the impact of the offense on the victim and the victim's family and any sentencing recommendations before the sentencing of the defendant.
- (k) To be informed, upon request, of the conviction, sentence, place and time of incarceration, or other disposition of the defendant, the scheduled release date of the defendant and the release of or the escape by the defendant from custody.
  - (1) To full and timely restitution.
  - (m) To the prompt return of legal property when no longer needed as evidence.

- (n) To be informed of all postconviction proceedings, to participate and provide information to the parole authority to be considered before the parole of the offender and to be notified, upon request, of the parole or other release of the offender.
- (o) To have the safety of the victim, the victim's family and the general public considered before any parole or other postjudgment release decision is made.
- (p) To have all monetary payments, money and property collected from any person who has been ordered to make restitution be first applied to pay the amounts ordered as restitution to the victim.
- (q) To be specifically informed of the rights enumerated in this section, and to have information concerning those rights be made available to the general public.
- 2. A victim has standing to assert the rights enumerated in this section in any court with jurisdiction over the case. The court shall promptly rule on a victim's request. A defendant does not have standing to assert the rights of his or her victim. This section does not alter the powers, duties or responsibilities of a prosecuting attorney. A victim does not have the status of a party in a criminal proceeding.
- 3. Except as otherwise provided in subsection 4, no person may maintain an action against this State or any public officer or employee for damages or injunctive, declaratory or other legal or equitable relief on behalf of a victim of a crime as a result of a violation of this section or any statute enacted by the Legislature pursuant thereto. No such violation authorizes setting aside a conviction.
- 4. A person may maintain an action to compel a public officer or employee to carry out any duty required by this section or any statute enacted by the Legislature pursuant thereto.
- 5. The granting of these rights to victims must not be construed to deny or disparage other rights possessed by victims. A parole authority shall extend the right to be heard at a parole hearing to any person harmed by the offender.
- 6. The Legislature shall by law provide any other measure necessary or useful to secure to victims of crime the benefit of the rights set forth in this section.
- 7. As used in this section, "victim" means any person directly and proximately harmed by the commission of a criminal offense under any law of this State. If the victim is less than 18 years of age, incompetent, incapacitated or deceased, the term includes the legal guardian of the victim or a representative of the victim's estate, member of the victim's family or any other person who is appointed by the court to act on the victim's behalf, except that the court shall not appoint the defendant as such a person.

And be it further

RESOLVED, That Section 8 of Article 1 of the Nevada Constitution be amended to read as follows:

- Sec. 8. 1. No person shall be tried for a capital or other infamous crime (except in cases of impeachment, and in cases of the militia when in actual service and the land and naval forces in time of war, or which this State may keep, with the consent of Congress, in time of peace, and in cases of petit larceny, under the regulation of the Legislature) except on presentment or indictment of the grand jury, or upon information duly filed by a district attorney, or Attorney General of the State, and in any trial, in any court whatever, the party accused shall be allowed to appear and defend in person, and with counsel, as in civil actions. No person shall be subject to be twice put in jeopardy for the same offense; nor shall he be compelled, in any criminal case, to be a witness against himself.
- 2. [The Legislature shall provide by law for the rights of victims of crime, personally or through a representative, to be:
- (a) Informed, upon written request, of the status or disposition of a criminal proceeding at any stage of the proceeding;
- (b) Present at all public hearings involving the critical stages of a criminal proceeding; and
- —(c) Heard at all proceedings for the sentencing or release of a convicted person after trial.

- 3. Except as otherwise provided in subsection 4, no person may maintain an action against the State or any public officer or employee for damages or injunctive, declaratory or other legal or equitable relief on behalf of a victim of a crime as a result of a violation of any statute enacted by the Legislature pursuant to subsection 2. No such violation authorizes setting aside a conviction or sentence or continuing or postponing a criminal proceeding.

  4. A person may maintain an action to compel a public officer or employee to carry out
- 5.] No person shall be deprived of life, liberty, or property, without due process of law. [6.] 3. Private property shall not be taken for public use without just compensation having been first made, or secured, except in cases of war, riot, fire, or great public peril, in which case compensation shall be afterward made.

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any duty required by the Legislature pursuant to subsection 2.

# **STATE QUESTION NO. 2**

Amendment to the Sales and Use Tax Act of 1955

Senate Bill 415 of the 79th Session

### **CONDENSATION (Ballot Question)**

Shall the Sales and Use Tax Act of 1955 be amended to provide an exemption from the taxes imposed by this Act on the gross receipts from the sale and the storage, use or other consumption of feminine hygiene products?

Yes □ No □

### **EXPLANATION & DIGEST**

**EXPLANATION**—This proposed amendment to the Sales and Use Tax Act of 1955 would exempt from the taxes imposed by this Act the gross receipts from the sale and storage, use or other consumption of feminine hygiene products.

If this proposal is adopted, the Legislature has provided that the Local School Support Tax Law and certain analogous taxes on retail sales will be amended to provide the same exemptions.

Additionally, the Legislature has provided that in administering these sales and use tax exemptions for feminine hygiene products, Nevada's Department of Taxation will interpret the term "feminine hygiene product" to mean a sanitary napkin or tampon.

Finally, the Legislature has provided that these sales and use tax exemptions for feminine hygiene products will become effective on January 1, 2019, and expire by limitation on December 31, 2028.

A "Yes" vote would exempt feminine hygiene products from the Sales and Use Tax Act of 1955, the Local School Support Tax Law and certain analogous sales and use taxes.

A "No" vote would keep the current provisions of the Sales and Use Tax Act of 1955, the Local School Support Tax Law and certain analogous sales and use taxes.

**DIGEST**—The Sales and Use Tax Act of 1955 imposes taxes on the gross receipts from the sale and storage, use or other consumption of all tangible personal property in this State unless the property is exempt from such taxation. Because the Sales and Use Tax Act of 1955 was approved by the voters at a referendum election held under the *Nevada Constitution*, the Act cannot be amended, annulled, repealed, set aside, suspended or in any way made inoperative unless such action is also approved by the voters at an election. This ballot measure would amend the Sales

and Use Tax Act of 1955 by creating an exemption from sales and use taxes for feminine hygiene products. This ballot measure would decrease public revenue because these products would no longer be subject to sales and use taxes.

Under existing laws, sales and use taxes are additionally imposed by: (1) the Local School Support Tax Law which provides revenue for the support of local schools; and (2) other tax laws which provide revenue for the support of counties, cities, towns, special and local districts, regional agencies and authorities, other political subdivisions and specific projects and purposes. This ballot measure would change those existing laws by creating exemptions from sales and use taxes for feminine hygiene products.

Under existing laws, Nevada's Department of Taxation is required to administer the collection of sales and use taxes under the Sales and Use Tax Act of 1955, the Local School Support Tax Law and other tax laws. In administering those existing laws, the Department is required to give specific meanings to particular terms. This ballot measure would add to those existing laws by requiring the Department to interpret the term "feminine hygiene product" to mean a sanitary napkin or tampon.

Under existing provisions of the *Nevada Constitution*, when any measure enacts exemptions from sales and use taxes, the measure must provide a specific date on which the exemptions will cease to be effective. Because this ballot measure would enact exemptions from sales and use taxes for feminine hygiene products, this ballot measure provides that the exemptions will cease to be effective on December 31, 2028

### **ARGUMENTS FOR PASSAGE**

Feminine hygiene products should be exempt from Nevada's sales and use taxes. These products are not a luxury but a basic necessity of life that women use starting around age 12 until their early 50s. During those years, the average woman may use 20,000 or more of these products.

Feminine hygiene products should be treated like other medical products that are exempt from Nevada's sales and use taxes, such as splints, bandages, and prosthetic devices. This is consistent with the U.S. Food and Drug Administration's classification of tampons as a type of medical product.

There is no equivalent medical product that is used only by one sex on a monthly basis for decades. These sales and use taxes are especially unjust for low-income women who struggle to pay for basic necessities each month. Feminine hygiene products need to be more accessible, and eliminating these taxes on sanitary napkins and tampons will make them more affordable.

Nine states and the District of Columbia specifically exempt feminine hygiene products from their sales and use taxes. In some states, such as Maryland and Massachusetts, feminine hygiene products are exempt because they are considered medical products.

Nevada voters should eliminate these discriminatory sales and use taxes to lower the cost of feminine hygiene products, increase access to these necessities and improve women's health and welfare. Vote "yes" on Question 2.

### ARGUMENTS AGAINST PASSAGE

Exempting feminine hygiene products from Nevada's sales and use taxes will result in less revenue for the State and local governments, including school districts. This loss of revenue may adversely affect the provision of state and local governmental services. California considered exempting these products in 2016, but the Governor vetoed the proposal because of concerns about lost revenue.

Consistent with sound tax policy, Nevada and 35 other states do not exempt feminine hygiene products from their sales and use taxes. A broader tax base generally leads to lower rates and is better suited to accommodate upturns and downturns in the economy. Instead of broadening the tax base, this exemption will narrow the tax base, creating the potential for more volatility in sales and use tax revenue and complicating the administration of these taxes with no gain in terms of tax policy.

Nevada's sales and use taxes are not discriminatory and do not tax products based on sex. Rather, products sold in Nevada are generally subject to these taxes regardless of who buys or uses them. As a result, many products that are considered necessities, such as soap, toothbrushes and toilet paper, are not exempt from sales and use taxes.

Nevada voters should not approve yet another tax exemption that violates sound tax policy, shrinks the tax base and decreases revenue for public services. Vote "no" on Question 2.

### **FISCAL NOTE**

# **FINANCIAL IMPACT – YES**

Under current law, feminine hygiene products, defined as tampons and sanitary napkins under the exemption in Question 2, are considered tangible personal property subject to state and local sales and use taxes in the State of Nevada. If approved by the voters, this exemption from state and local sales and use taxes for tampons and sanitary napkins purchased in the State of Nevada would reduce the revenue received by the State and local governments, including school districts, during the last six months of Fiscal Year 2019 (January 1, 2019–June 30, 2019), all of Fiscal Years 2020 through 2028 (July 1, 2019–June 30, 2028), and the first six months of Fiscal Year 2029 (July 1, 2028–December 31, 2028).

Although the actual ages during which females typically use tampons and sanitary napkins will vary by person, it is assumed that all females between the ages of 12 and 55 in the State of Nevada will use these products for the purposes of this fiscal note.

Based on projections by the State Demographer, there were approximately 867,000 females between the ages of 12 and 55 living in the State of Nevada on July 1, 2017. Assuming the average monthly consumption of these feminine hygiene products is between \$7 and \$10 per person, this would generate total taxable sales of between \$6.1 million and \$8.7 million each month, or total taxable sales of between \$72.8 million and \$104.0 million each fiscal year.

Applying these assumptions to the combined statewide sales and use tax rate of 6.85 percent, this exemption would result in the following estimated revenue reductions for each component of the combined rate:

Combined Statewide Sales &	Tax Rate	Recipient of Revenue	Estimated Revenue Loss
Use Tax Rate Component			Per Fiscal Year
State Sales Tax	2.0%	State General Fund	\$1.5 million –
			\$2.1 million
Local School Support Tax	2.6%	School Districts, State Distributive	\$1.9 million –
(LSST)		School Account	\$2.7 million
Basic City-County Relief Tax	0.5%	Counties, cities, towns, and other local	\$360,000 –
(BCCRT)		governmental entities	\$510,000
Supplemental City-County	1.75%	Counties, cities, towns, and other local	\$1.2 million –
Relief Tax (SCCRT)		governmental entities	\$1.8 million
TOTAL	6.85%		\$4.96 million –
			\$7.11 million

The estimated revenue loss per fiscal year for each component of the combined statewide sales and use tax rate represents between 0.13 percent and 0.19 percent of the actual revenue collected for each of these components in Fiscal Year 2017.

In addition to the statewide taxes described above, thirteen of Nevada's seventeen counties (Carson City, Churchill, Clark, Douglas, Elko, Lander, Lincoln, Lyon, Nye, Pershing, Storey, Washoe and White Pine) impose one or more optional local sales taxes for authorized uses. Applying the assumptions described above to these optional local sales taxes, this exemption would result in the following estimated local revenue reductions:

County	Total Combined Optional Local Tax Rate	Estimated Revenue Loss from Combined Optional Local Tax Rate Per Fiscal Year	Estimated Loss as a % of Total Revenue from Combined Optional Local Tax Rate
Carson City	0.75%	\$8,200-\$11,700	0.11%-0.15%
Churchill	0.75%	\$4,500–\$6,500	0.22%-0.32%
Clark	1.40%	\$750,000-\$1,071,400	0.13%-0.19%
Douglas	0.25%	\$2,400-\$3,400	0.14%-0.19%
Elko	0.25%	\$3,400–\$4,900	0.10%-0.14%
Esmeralda	None	None	None
Eureka	None	None	None
Humboldt	None	None	None
Lander	0.25%	\$400–\$500	0.06%-0.07%
Lincoln	0.25%	\$300–\$400	0.40%-0.53%
Lyon	0.25%	\$3,000–\$4,300	0.28%-0.40%
Mineral	None	None	None
Nye	0.75%	\$6,400–\$9,200	0.15%-0.22%
Pershing	0.25%	\$300–\$400	0.11%-0.14%
Storey	0.75%	\$600–\$800	0.07%-0.09%
Washoe	1.415%	\$150,200-\$214,600	0.14%-0.19%
White Pine	0.875%	\$1,600–\$2,300	0.08%-0.11%
TOTAL		\$931,300-\$1,330,400	0.13%-0.18%

Additionally, under current law, Nevada's Department of Taxation retains commissions, which are deposited in the State General Fund, for the cost of collecting sales and use taxes for local governments and school districts. The commissions are collected at a rate of 0.75 percent for the LSST and a rate of 1.75 percent for the BCCRT, SCCRT and the optional local sales taxes. It is estimated that these commissions will be reduced by a total of between \$59,500 and \$85,000 per fiscal year if this exemption is approved by the voters.

Finally, the State and local governments, including school districts, may lose additional sales tax revenue from this exemption for tampons and sanitary napkins purchased in Nevada by tourists and other nonresidents. However, the amount of these products that may be purchased by such nonresidents, and the resulting loss in revenue to these governmental entities, cannot be determined with any reasonable degree of certainty.

Note that the revenue loss to the State and local governments, including school districts, illustrated above are estimates based on the projected population of females between the ages of 12 and 55 and the estimated average purchases of feminine hygiene products of between \$7 and \$10 per month. The actual revenue loss to the State and local governmental entities during the 10 years when this exemption would be effective (January 1, 2019—December 31, 2028) may be higher or lower in any given fiscal year, depending on the amount of exempt products that are actually purchased. Additionally, changes in the statewide population and the number of nonresidents purchasing these products may affect the actual reduction in sales and use tax revenue.

Nevada's Department of Taxation has indicated that no additional funding is required to implement and administer this exemption for feminine hygiene products from the state and local sales and use taxes.

#### **FULL TEXT OF THE MEASURE**

Senate Bill No. 415–Senators Cancela and Woodhouse

Joint Sponsors: Assemblywomen Jauregui, Monroe-Moreno and Spiegel

# CHAPTER 389

[Approved: June 5, 2017]

AN ACT relating to taxes on retail sales; providing for the submission to the voters of the question whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption from the tax for feminine hygiene products; providing for the exemptions from certain analogous taxes if the voters approve this amendment to the Sales and Use Tax Act of 1955; and providing other matters properly relating thereto.

### **Legislative Counsel's Digest:**

The Sales and Use Tax Act of 1955 (part of chapter 372 of NRS) was approved by the voters by a referendum and therefore may not be amended, annulled, repealed, set aside, suspended or in any way made inoperative except by the direct vote of the people. (Nev. Const. Art. 19, § 1)

Sections 2-9 of this bill require the submission of a question to the voters at the 2018 General Election of whether the Sales and Use Tax Act of 1955 should be amended to provide an exemption for certain feminine hygiene products. Section 10 of this bill construes the term "feminine hygiene product" to mean a sanitary napkin or tampon for the purposes of the exemption. Sections 11 and 12 of this bill amend the Local School Support Tax Law to provide identical exemptions. This tax exemption becomes effective on January 1, 2019, and expires by limitation on December 31, 2028, only if the voters approve the amendment to the Sales and Use Tax Act of 1955 at the General Election in 2018.

Any amendment to the Local School Support Tax Law also applies to other sales and use taxes imposed under existing law. (NRS 354.705, 374A.020, 376A.060, 377.040, 377A.030, 377B.110, 543.600 and various special and local acts)

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted

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

**Section 1.** The Legislature hereby finds that each exemption provided by this act from any excise tax on the sale, storage, use or consumption of tangible personal property sold at retail:

- 1. Will achieve a bona fide social or economic purpose and that the benefits of the exemption are expected to exceed any adverse effect of the exemption on the provision of services to the public by the State or a local government that would otherwise receive revenue from the tax from which the exemption would be granted; and
- 2. Will not impair adversely the ability of the State or a local government to pay, when due, all interest and principal on any outstanding bonds or any other obligations for which revenue from the tax from which the exemption would be granted was pledged.
- **Sec. 2.** At the General Election on November 6, 2018, a proposal must be submitted to the registered voters of this State to amend the Sales and Use Tax Act, which was enacted by the 47th Session of the Legislature of the State of Nevada and approved by the Governor in 1955, and subsequently approved by the people of this State at the General Election held on November 6, 1956.
- **Sec. 3.** At the time and in the manner provided by law, the Secretary of State shall transmit the proposed act to the several county clerks, and the county clerks shall cause it to be published and posted as provided by law.
- **Sec. 4.** The proclamation and notice to the voters given by the county clerks pursuant to law must be in substantially the following form:

Notice is hereby given that at the General Election on November 6, 2018, a question will appear on the ballot for the adoption or rejection by the registered voters of the State of the following proposed act:

AN ACT to amend an Act entitled "An Act to provide revenue for the State of Nevada; providing for sales and use taxes; providing for the manner of collection; defining certain terms; providing penalties for violation, and other matters properly relating thereto." approved March 29, 1955, as amended.

# THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

- Section 1. Section 56.1 of the above-entitled Act, being chapter 397, Statutes of Nevada 1955, as added by chapter 306, Statutes of Nevada 1969, at page 532, and amended by chapter 627, Statutes of Nevada 1985, at page 2028, and amended by chapter 404, Statutes of Nevada 1995, at page 1007, is hereby amended to read as follows:
  - Sec. 56.1. 1. There are exempted from the taxes imposed by this act the gross receipts from sales and the storage, use or other consumption of:
  - (a) Prosthetic devices, orthotic appliances and ambulatory casts for human use, and other supports and casts if prescribed or applied by a licensed provider of health care, within his scope of practice, for human use.
    - (b) Appliances and supplies relating to an ostomy.
    - (c) Products for hemodialysis.
    - (d) Medicines:
  - (1) Prescribed for the treatment of a human being by a person authorized to prescribe medicines, and dispensed on a prescription filled by a registered pharmacist in accordance with law;
  - (2) Furnished by a licensed physician, dentist or podiatric physician to his own patient for the treatment of the patient;
  - (3) Furnished by a hospital for treatment of any person pursuant to the order of a licensed physician, dentist or podiatric physician; or
  - (4) Sold to a licensed physician, dentist, podiatric physician or hospital for the treatment of a human being.
    - (e) Feminine hygiene products.
    - 2. As used in this section:
  - (a) "Medicine" means any substance or preparation intended for use by external or internal application to the human body in the diagnosis, cure, mitigation, treatment or prevention of disease or affliction of the human body and which is commonly recognized as a substance or preparation intended for such use. The term includes splints, bandages, pads, compresses and dressings.
    - (b) "Medicine" does not include:
      - (1) Any auditory, ophthalmic or ocular device or appliance.
  - (2) Articles which are in the nature of instruments, crutches, canes, devices or other mechanical, electronic, optical or physical equipment.
  - (3) Any alcoholic beverage, except where the alcohol merely provides a solution in the ordinary preparation of a medicine.
  - (4) Braces or supports, other than those prescribed or applied by a licensed provider of health care, within his scope of practice, for human use.
  - 3. Insulin furnished by a registered pharmacist to a person for treatment of diabetes as directed by a physician shall be deemed to be dispensed on a prescription within the meaning of this section.
- Sec. 2. This act becomes effective on January 1, 2019, and expires by limitation on December 31, 2028.
- **Sec. 5.** The ballot page assemblies and the paper ballots to be used in voting on the question must present the question in substantially the following form:

Shall the Sales and Use Tax Act of 1955 be amended to provide an exemption from the taxes imposed by this Act on the gross receipts from the sale and the storage, use or other consumption of feminine hygiene products?

# Yes □ No □

**Sec. 6.** The explanation of the question which must appear on each paper ballot and sample ballot and in every publication and posting of notice of the question must be in substantially the following form:

# (Explanation of Question)

The proposed amendment to the Sales and Use Tax Act of 1955 would exempt from the taxes imposed by this Act the gross receipts from the sale and storage, use or other consumption of feminine hygiene products.

If this proposal is adopted, the Legislature has provided that the Local School Support Tax Law and certain analogous taxes on retail sales will be amended to provide the same exemptions.

- **Sec. 7.** If a majority of the votes cast on the question is yes, the amendment to the Sales and Use Tax Act of 1955 becomes effective on January 1, 2019, and expires by limitation on December 31, 2028. If less than a majority of votes cast on the question is yes, the question fails and the amendment to the Sales and Use Tax Act of 1955 does not become effective.
  - **Sec. 8.** All general election laws not inconsistent with this act are applicable.
- **Sec. 9.** Any informalities, omissions or defects in the content or making of the publications, proclamations or notices provided for in this act and by the general election laws under which this election is held must be so construed as not to invalidate the adoption of the act by a majority of the registered voters voting on the question if it can be ascertained with reasonable certainty from the official returns transmitted to the Office of the Secretary of State whether the proposed amendment was adopted by a majority of those registered voters.
- **Sec. 10.** Chapter 372 of NRS is hereby amended by adding thereto a new section to read as follows:

In administering the provisions of section 56.1 of chapter 397, Statutes of Nevada 1955, which is included in NRS as NRS 372.283, the Department shall construe the term "feminine hygiene product" to mean a sanitary napkin or tampon.

**Sec. 11.** Chapter 374 of NRS is hereby amended by adding thereto a new section to read as follows:

In administering the provisions of NRS 374.287, the Department shall construe the term "feminine hygiene product" to mean a sanitary napkin or tampon.

- **Sec. 12.** NRS 374.287 is hereby amended to read as follows:
- 374.287 1. There are exempted from the taxes imposed by this chapter the gross receipts from sales and the storage, use or other consumption of:
- (a) Prosthetic devices, orthotic appliances and ambulatory casts for human use, and other supports and casts if prescribed or applied by a licensed provider of health care, within his or her scope of practice, for human use.
  - (b) Appliances and supplies relating to an ostomy.
  - (c) Products for hemodialysis.
  - (d) Medicines:
- (1) Prescribed for the treatment of a human being by a person authorized to prescribe medicines, and dispensed on a prescription filled by a registered pharmacist in accordance with law:
- (2) Furnished by a licensed physician, dentist or podiatric physician to his or her own patient for the treatment of the patient;
- (3) Furnished by a hospital for treatment of any person pursuant to the order of a licensed physician, dentist or podiatric physician; or
- (4) Sold to a licensed physician, dentist, podiatric physician or hospital for the treatment of a human being.

# (e) Feminine hygiene products.

- 2. As used in this section:
- (a) "Medicine" means any substance or preparation intended for use by external or internal application to the human body in the diagnosis, cure, mitigation, treatment or prevention of disease or affliction of the human body and which is commonly recognized as a substance or preparation intended for such use. The term includes splints, bandages, pads, compresses and dressings.
  - (b) "Medicine" does not include:
    - (1) Any auditory, ophthalmic or ocular device or appliance.
- (2) Articles which are in the nature of instruments, crutches, canes, devices or other mechanical, electronic, optical or physical equipment.
- (3) Any alcoholic beverage, except where the alcohol merely provides a solution in the ordinary preparation of a medicine.
- (4) Braces or supports, other than those prescribed or applied by a licensed provider of health care, within his or her scope of practice, for human use.
- 3. Insulin furnished by a registered pharmacist to a person for treatment of diabetes as directed by a physician shall be deemed to be dispensed on a prescription within the meaning of this section.
- **Sec. 13.** 1. This section and sections 1 to 9, inclusive, of this act become effective on October 1, 2017.
- 2. Sections 10, 11 and 12 of this act become effective on January 1, 2019, and expire by limitation on December 31, 2028, only if the proposal submitted pursuant to sections 2 to 9, inclusive, of this act is approved by the voters at the General Election on November 6, 2018.

# **STATE QUESTION NO. 3**

Amendment to the Nevada Constitution

# **CONDENSATION (Ballot Question)**

Shall Article 1 of the *Nevada Constitution* be amended to require the Legislature to provide by law for the establishment of an open, competitive retail electric energy market that prohibits the granting of monopolies and exclusive franchises for the generation of electricity?

Yes □ No □

# **EXPLANATION & DIGEST**

**EXPLANATION**—This ballot measure proposes to amend the *Nevada Constitution* to require the Legislature to provide by law for an open, competitive retail electric energy market by July 1, 2023. The law passed by the legislature must include, but is not limited to, provisions that reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the granting of monopolies and exclusive franchises for the generation of electricity. The law would not have to provide for the deregulation of the transmission or distribution of electricity.

Approval of this ballot measure would add a new section to the *Nevada Constitution* establishing that every person, business, association of persons or businesses, state agency, political subdivision of the State of Nevada, or any other entity in Nevada has the right to choose the provider of its electric utility service, including but not limited to, selecting providers from a competitive retail electric market, or by producing electricity for themselves or in association with others, and shall not be forced to purchase energy from one provider. The proposed amendment does not create an open and competitive retail electric market, but rather requires the Legislature to provide by law for such a market by July 1, 2023. The law passed by the Legislature cannot limit a person's or entity's right to sell, trade, or otherwise dispose of electricity. Pursuant to Article 19, Section 2, of the *Nevada Constitution*, approval of this question is required at two consecutive general elections before taking effect.

A "Yes" vote would amend Article 1 of the *Nevada Constitution* so that the Legislature would be required to pass a law by July 1, 2023, that creates an open and competitive retail electric market and that includes provisions to reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the granting of monopolies and exclusive franchises for the generation of electricity.

A "No" vote would retain the provisions of Article 1 of the Nevada Constitution in their current form. These current provisions do not require the Legislature to pass a law that creates an open and competitive retail electric market and that includes provisions to reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the granting of monopolies and exclusive franchises for the generation of electricity.

**DIGEST**—Article 1 of the *Nevada Constitution* contains various rights granted to the people of Nevada. Approval of this ballot measure would add a new section to Article 1 of the *Nevada Constitution* that would require the Legislature to provide by law, no later than July 1, 2023, for an open, competitive retail electric energy market with protections that entitle customers to safe, reliable, and competitively priced electricity. The law passed by the legislature must include, but is not limited to, provisions that reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the granting of monopolies and exclusive franchises for the generation of electricity. This constitutional amendment would have an impact on public revenue; however, the amount of the impact cannot be determined.

Existing law, found in Title 58 of the *Nevada Revised Statutes*, generally authorizes a single utility to provide electric service to customers in each electric service territory in the state. This means that most Nevadans are required to purchase electricity from a single provider. Utility providers are regulated by the Nevada Public Utilities Commission (PUC), which is charged with providing for the safe, economic, efficient, prudent, and reliable operation and service of public utilities, as well as balancing the interests of customers and shareholders of public utilities by providing public utilities with the opportunity to earn a fair return on their investments while providing customers with just and reasonable rates.

### ARGUMENTS FOR PASSAGE

The Energy Choice Initiative

Vote YES on Question 3, the Energy Choice Initiative.

Nevada has some of the highest electricity rates in the West.<sup>1</sup> In addition, as ratepayers, we are limited in the types of renewable energy we can purchase because most of us are forced to buy energy from a monopoly.<sup>2</sup> Many businesses, including those who would relocate here and create new jobs, want more renewable energy.<sup>3</sup>

The problems with the current energy policy are:

- The electricity rates we pay are largely dictated by the Public Utilities Commission, not the free market.<sup>4</sup> And those rates provide for a guaranteed return (profit) for the utility company.<sup>5</sup>
- There is a legal monopoly in most of Nevada's electricity market and the rates charged to customers are not subject to pressure from competition.<sup>6</sup>
- Without an open market, it is difficult for Nevadans to take advantage of new technologies in energy generation.<sup>7</sup>
- Nevada residents and businesses often cannot choose the specific type of electricity they want—that fueled by renewable resources.<sup>8</sup>

Question 3 is a constitutional amendment that would create a right for Nevadans to purchase energy from an open electricity market. Residents and businesses will be allowed to purchase electricity from a provider of their choice.

A YES vote on Question 3 means you support:

- Eliminating the monopoly on retail power sales.<sup>9</sup>
- Creating a new marketplace where customers and energy providers come together.
- Preserving the utility, whether it's NV Energy or another utility, as the operator of the electric distribution grid.<sup>11</sup>
- Protecting consumers by requiring the Nevada Legislature to enact laws that entitle Nevadans to safe, reliable, and competitively priced electricity that protects against service disconnections and unfair practices.<sup>12</sup>
- Paying rates for electricity that are set by an open and competitive market, not an appointed government agency.<sup>13</sup>
- Allowing energy providers to offer electricity from any source including renewable sources

   without needing the approval of the Commission.<sup>14</sup>
- Keeping Nevada's renewable energy portfolio standard in place, along with Nevada's other renewable policies.<sup>15</sup>
- Allowing the Commission to continue to regulate Nevada's electricity market, but instead of regulating a single provider, they regulate the competitive market.<sup>16</sup>

Many people believe that competition in the electricity market drives prices down and provides more resource options for residents and businesses.<sup>17</sup> To date, 24 states have passed legislation or regulatory orders that will allow some level of retail competition.<sup>18</sup>

It's time for Nevadans to have a choice.

Vote YES on Question 3.

The above argument was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Matt Griffin (Chair), Nevadans for Affordable, Clean Energy Choices; and Lucas Foletta, Nevadans for Affordable, Clean Energy Choices. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

<sup>&</sup>lt;sup>1</sup> Assessment and Recommendations: Alignment of Nevada Economic Development Policy and Energy Policy, pages 13-14, Nevada State Office of Energy and Governor's Office of Economic Development (2013), available at <a href="http://www.leg.state.nv.us/interim/77th2013/Committee/StatCom/Energy/Other/19-May-2014/5VBARTHOLETWhitePaper.PDF">http://www.leg.state.nv.us/interim/77th2013/Committee/StatCom/Energy/Other/19-May-2014/5VBARTHOLETWhitePaper.PDF</a>.

<sup>&</sup>lt;sup>2</sup> NRS 704.330(6).

<sup>&</sup>lt;sup>3</sup> Las Vegas casinos seek to power their bright lights with renewable energy (March 7, 2016), The Guardian, <a href="https://www.theguardian.com/environment/2016/mar/07/las-vegas-casinos-solar-power-nevada-energy">https://www.theguardian.com/environment/2016/mar/07/las-vegas-casinos-solar-power-nevada-energy</a>; and Companies Go Green on Their Own Steam (March 8, 2016), The Wall Street Journal, <a href="http://www.wsj.com/articles/companies-go-green-on-their-own-steam-1457483035">http://www.wsj.com/articles/companies-go-green-on-their-own-steam-1457483035</a>.

<sup>10</sup> *Id*.

<sup>11</sup> Id.

<sup>12</sup> Id.

<sup>13</sup> Id.

<sup>14</sup> Id.

<sup>15</sup> *Id*.

<sup>16</sup> Id

# REBUTTAL TO ARGUMENTS FOR PASSAGE

A Constitutional measure to deregulate energy markets in Nevada is unnecessary. No evidence exists that deregulation provides additional choice, advances renewable energy, or creates lower rates.

Nevada's average rates are 44% lower than California's, and 20% lower than the U.S. generally. Deregulation hasn't produced lower prices for residents or businesses in states that have tried it.

Nevada's public policies are advancing renewable energy. Nevada's largest utility ranked 7th nationally for added solar last year.<sup>2</sup> Customers receive energy from 45 large-scale renewable projects capable of supplying 700,000-plus homes.<sup>3</sup> Projects are 100% competitively bid, so customers get the lowest cost. Deregulated markets have not been shown to support renewable energy growth.

Utilities plan 20 years ahead to be there for Nevadans in the long-term, providing safe, reliable service.<sup>4</sup> Deregulation takes away that safety net, exposing us to unpredictable energy markets.

Supporters of Question 3 say that 24 states allow for some level of deregulation. What they don't tell you is that Nevada is one of them. Implementing more deregulation would take years and

<sup>&</sup>lt;sup>4</sup> Things to know on a ballot measure to end NV Energy monopoly (Apr. 25, 2016), Reno Gazette Journal, <a href="http://www.rgj.com/story/news/2016/04/23/things-know-ballot-measure-end-nv-energy-monopoly/83437680/">http://www.rgj.com/story/news/2016/04/23/things-know-ballot-measure-end-nv-energy-monopoly/83437680/</a>. <sup>5</sup> Id.; Warren Buffet's Dicey Power Play (June 10, 2016), Fortune, <a href="http://www.bloomberg.com/news/articles/2016-06-10/buffett-s-power-play-pits-las-vegas-casinos-against-energy-unit">http://www.bloomberg.com/news/articles/2016-06-10/buffett-s-power-play-pits-las-vegas-casinos-against-energy-unit</a>.

<sup>&</sup>lt;sup>6</sup> NRS 704.330(6); *Things to know on a ballot measure to end NV Energy monopoly* (Apr. 25, 2016), Reno Gazette Journal, <a href="http://www.rgj.com/story/news/2016/04/23/things-know-ballot-measure-end-nv-energy-monopoly/83437680/">http://www.rgj.com/story/news/2016/04/23/things-know-ballot-measure-end-nv-energy-monopoly/83437680/</a>.

<sup>&</sup>lt;sup>7</sup> Clean Power Startups Aim to Break Monopoly of U.S. Utility Giants (Dec. 12, 2012), Inside Climate News, <a href="https://insideclimatenews.org/news/20121212/renewable-power-startups-georgia-solar-panterra-energy-gen110-distributed-generation-rooftop-solar-hurricane-sandy">https://insideclimatenews.org/news/20121212/renewable-power-startups-georgia-solar-panterra-energy-gen110-distributed-generation-rooftop-solar-hurricane-sandy</a>.

<sup>&</sup>lt;sup>8</sup> Nevada Switch data centers now 100% renewable-powered (Jan. 7, 2016), Reno Gazette Journal, <a href="http://www.rgj.com/story/money/reno-rebirth/2016/01/06/switch-supernap-data-centers-100-percent-renewables-green-energy/78318378/">http://www.rgj.com/story/money/reno-rebirth/2016/01/06/switch-supernap-data-centers-100-percent-renewables-green-energy/78318378/</a>.

<sup>&</sup>lt;sup>9</sup> See Energy Choice Initiative.

<sup>&</sup>lt;sup>17</sup> Lowering Electricity Prices Through Deregulation, Current Issues in Economics and Finance, The New York Federal Reserve, <a href="https://www.newyorkfed.org/medialibrary/media/research/current">https://www.newyorkfed.org/medialibrary/media/research/current</a> issues/ci6-14.pdf; Green Energy Guide, Energy Savings, <a href="https://www.energysavings.com/green-energy-guide.html">https://www.energysavings.com/green-energy-guide.html</a>.

<sup>&</sup>lt;sup>18</sup> Energy Deregulation, Overview: What's Changing and Why, Washington Post, http://www.washingtonpost.com/wp-adv/specialsales/energy/report/article10.html.

cost Nevadans significant money. Nevada has set a clear path for stable energy prices and renewable energy development. Full deregulation would put Nevadans at risk and progress on hold.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee member: Bradley Schrager (Chair), private citizen. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

### ARGUMENTS AGAINST PASSAGE

Deregulation of the energy market means a loss of control by Nevada's citizens. We allowed the airlines to be deregulated, and today air travel is a nightmare.<sup>1</sup> We allowed the banking system to be deregulated, and the housing and financial crisis followed.<sup>2</sup> It was deregulation of energy markets in California that allowed the Enron disaster.<sup>3</sup> In fact, Nevadans considered deregulating the energy market in the 1990s, but the rolling blackouts and power shortages of the Enron crisis taught us that deregulation was too risky.<sup>4</sup> We should not forget those lessons now, and this initiative should be defeated.

In state after state over the last three decades, proponents of deregulation across the country have promised that "energy choice" would mean lower costs, but the results have been everhigher prices for energy, charged by private companies outside the control of state agencies.<sup>5</sup>

In deregulated New York, residential customers wound up paying energy costs 70% above the national average.<sup>6</sup> In Texas, retail consumers pay fifteen percent higher electricity bills after deregulation than before it.<sup>7</sup> And in Connecticut, customers of deregulated energy providers saw uncontrollable price jumps with little or no warning, increases the state was unable to stop or limit.<sup>8</sup> Even this initiative's proponents agree that Nevada will no longer be able to set or secure any certain price or rate structure, and therefore will not be able guard against the same thing happening here. Deregulation of the energy market was supposed to offer consumer choice and better pricing and services, but it did not, and there is no way to guarantee it will provide any benefit at all to Nevadans.

Currently, Nevada's utility companies are regulated by the state, which approves or rejects any changes to rates and ensures that utilities cannot gouge Nevada customers. Recent studies show that Nevada consumers enjoyed the second-lowest rates of energy price increase in the country, largely due to the prudent management of the market by public agencies. By contrast, U.S. Department of Energy data shows that electricity prices have risen more steeply in states

<sup>&</sup>lt;sup>1</sup> http://www.eia.gov/electricity/monthly/epm table grapher.cfm?t=epmt 5 6 a Table 5.6.A. Average Price of Electricity to Ultimate Customers by End-Use Sector, by State, May 2016 and 2015 (Cents per kilowatt hour).

<sup>&</sup>lt;sup>2</sup> http://www.solarelectricpower.org/discover-resources/solar-tools/2015-solar-power-rankings.aspx.

<sup>&</sup>lt;sup>3</sup> https://www.nvenergy.com/brochures arch/RenewablesBrochure.pdf.

<sup>&</sup>lt;sup>4</sup> N.A.C. 704.9215.

with energy deregulation programs similar to that proposed by this initiative than in those without.<sup>11</sup>

Nevada's energy is too important of a public resource to permit the unpredictable and uncontrollable cost increases that this market deregulation initiative would threaten. We should vote "No" on this very flawed ballot measure, and ensure Nevadans can maintain control over the state's energy market.

The above argument was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee member: Bradley Schrager (Chair), private citizen. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

### **REBUTTAL TO ARGUMENTS AGAINST PASSAGE**

In breaking up Bell's telecommunications monopoly, we unleashed advances in technology that revolutionized how we live.<sup>1</sup> New companies entered the market and began competing for business by offering better products and services — and now we have cell phones with internet access, apps, and cameras.<sup>2</sup> Monopolies have no incentive to lower prices, become more efficient, and offer more services.<sup>3</sup> Under Question 3, energy markets will be opened like telecommunications, trucking, railroads, and natural gas.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Tom Sgouros, *The Disaster of Deregulation: Airlines*, RI Future, September 18, 2012, <a href="http://www.rifuture.org/the-disaster-of-deregulation-airlines.html">http://www.rifuture.org/the-disaster-of-deregulation-airlines.html</a>.

<sup>&</sup>lt;sup>2</sup> Sewell Chan, *Financial Crisis Was Avoidable, Inquiry Finds*, New York Times, January 25, 2011, http://www.nytimes.com/2011/01/26/business/economy/26inquiry.html? r=0.

<sup>&</sup>lt;sup>3</sup> California Electricity Crisis, wikipedia.com, https://en.wikipedia.org/wiki/California electricity crisis#cite ref-22.

<sup>&</sup>lt;sup>4</sup> Michelle Rindels, *Things to Know on Ballot Measure to End NV Energy Monopoly*, Las Vegas Sun, April 24, 2016, <a href="http://lasvegassun.com/news/2016/apr/24/things-to-know-on-a-ballot-measure-to-end-nv-energ/">http://lasvegassun.com/news/2016/apr/24/things-to-know-on-a-ballot-measure-to-end-nv-energ/</a>.

<sup>&</sup>lt;sup>5</sup> Public Sector Consultants, *Electric Industry Deregulation: A Look at the Experience of Three States*, October 2013, <a href="http://www.pscinc.com/LinkClick.aspx?fileticket=IOIAyiNGrwl%3D&tabid=65">http://www.pscinc.com/LinkClick.aspx?fileticket=IOIAyiNGrwl%3D&tabid=65</a>.

<sup>&</sup>lt;sup>6</sup> H. Carl McCall, New York State Comptroller, *Electric Deregulation in New York State*, February 2001, <a href="http://www.osc.state.ny.us/reports/other/dereg.pdf">http://www.osc.state.ny.us/reports/other/dereg.pdf</a>.

<sup>&</sup>lt;sup>7</sup> Jordan Blum, *Texas Consumers Pay More In Deregulated Electricity Markets*, Houston Chronicle, June 8, 2016, <a href="http://www.houstonchronicle.com/business/energy/article/Texas-consumers-pay-more-in-deregulated-7972017.php">http://www.houstonchronicle.com/business/energy/article/Texas-consumers-pay-more-in-deregulated-7972017.php</a>.

<sup>&</sup>lt;sup>8</sup> Jennifer Abel, *Deregulated Energy Providers: Are They a Good Deal: Customers of Ambit Energy Decry Unexpected Price Jumps,* Consumer Reports, April 24, 2014, <a href="https://www.consumeraffairs.com/news/deregulated-energy-providers-are-they-a-good-deal-042414.html">https://www.consumeraffairs.com/news/deregulated-energy-providers-are-they-a-good-deal-042414.html</a>.

<sup>&</sup>lt;sup>9</sup> Michelle Rindels, *Things to Know on Ballot Measure to End NV Energy Monopoly*, Las Vegas Sun, April 24, 2016, <a href="http://lasvegassun.com/news/2016/apr/24/things-to-know-on-a-ballot-measure-to-end-nv-energ/">http://lasvegassun.com/news/2016/apr/24/things-to-know-on-a-ballot-measure-to-end-nv-energ/</a>.

<sup>&</sup>lt;sup>10</sup> Texas Coalition for Affordable Power, *Electricity Prices in Texas*, August 2015, p.8, *citing* United States Energy Information Administration Electricity Data, <a href="http://tcaptx.com/wp-content/uploads/2015/08/TCP-1035-ElectricityPricesinTX-Snapshot-A-Final.pdf">http://tcaptx.com/wp-content/uploads/2015/08/TCP-1035-ElectricityPricesinTX-Snapshot-A-Final.pdf</a>.

<sup>&</sup>lt;sup>11</sup> David Johnston, "Competitively Priced Electricity Costs More, Studies Show," The New York Times, November 6, 2007. <a href="http://www.nytimes.com/2007/11/06/business/06electric.html">http://www.nytimes.com/2007/11/06/business/06electric.html</a>.

The opponents are wrong. Under Question 3, the safety, reliability, and quality of Nevada's energy will continue to be regulated by the Legislature, the PUC, and the federal government.<sup>5</sup> Opponents try to scare people with Enron, without telling you that there are now effective and proven laws against market manipulation.<sup>6</sup>

Energy choice has been a success in other states. New Yorkers have seen electricity prices drop 34%<sup>7</sup>; in Texas it has caused rates to drop below the national average<sup>8</sup>; and in Connecticut, there are more than 24 suppliers offering over 200 different energy choices, some below standard rates by more than 30%.<sup>9</sup> 22% of those offers are for 100% renewable energy.<sup>10</sup> It's time for us to have choice in energy suppliers – vote yes on Question 3.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Matt Griffin (Chair), Nevadans for Affordable, Clean Energy Choices; and Lucas Foletta, Nevadans for Affordable, Clean Energy Choices. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

### **FISCAL NOTE**

# FINANCIAL IMPACT – CANNOT BE DETERMINED

### OVERVIEW

Question 3 proposes to amend Article 1 of the *Nevada Constitution* by adding a new section requiring the Nevada Legislature to provide by law for an open, competitive retail electric energy market no later than July 1, 2023. To ensure that protections are established that entitle customers to safe, reliable, and competitively priced electricity, the law must also include, but is not limited to, provisions that reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the grant of monopolies and exclusive franchises for the generation of electricity.

<sup>&</sup>lt;sup>1</sup> What We Can Learn From the History of Deregulation: US Telecommunications, <a href="https://www.bounceenergy.com/articles/texas-electricity/history-of-deregulation-telecommunication">https://www.bounceenergy.com/articles/texas-electricity/history-of-deregulation-telecommunication</a>.

<sup>2</sup> Id

<sup>&</sup>lt;sup>3</sup> Pure Monopoly: Economic Effects, <a href="http://thismatter.com/economics/pure-monopoly-economic-effects.htm">http://thismatter.com/economics/pure-monopoly-economic-effects.htm</a>.

<sup>&</sup>lt;sup>4</sup> Energy Deregulation, Overview: What's Changing and Why, Washington Post, http://www.washingtonpost.com/wp-adv/specialsales/energy/report/article10.html.

<sup>&</sup>lt;sup>5</sup> See Energy Choice Initiative.

<sup>&</sup>lt;sup>6</sup> Prohibition of Energy Market Manipulation, <a href="http://www.ferc.gov/enforcement/market-manipulation.asp">http://www.ferc.gov/enforcement/market-manipulation.asp</a>.

<sup>&</sup>lt;sup>7</sup> NY Electricity Prices Have Fallen 34% under Deregulation, June 17, 2015, http://www.energymanagertoday.com/ny-electricity-prices-have-fallen-34-under-deregulation-0112925/.

<sup>&</sup>lt;sup>8</sup> Electric deregulation cost Texas customers money, but they're beating the nation now, August 12, 2015, <a href="http://www.houstonchronicle.com/business/energy/article/Electric-deregulation-cost-Texas-customers-money-6439943.php">http://www.houstonchronicle.com/business/energy/article/Electric-deregulation-cost-Texas-customers-money-6439943.php</a>.

<sup>&</sup>lt;sup>9</sup> Connecticut Energy Shopping Site Shows Opportunities for Savings, April 27, 2016, <a href="http://www.resausa.org/news-events/connecticut-energy-shopping-site-shows-opportunities-savings">http://www.resausa.org/news-events/connecticut-energy-shopping-site-shows-opportunities-savings</a>.

<sup>10</sup> Id.

### FINANCIAL IMPACT OF QUESTION 3

If approved by the voters at the 2018 General Election, Question 3 will require the Legislature and Governor to approve legislation creating an open, competitive retail electric energy market between the effective date (November 27, 2018) and July 1, 2023. The Fiscal Analysis Division cannot predict when the Legislature and Governor will enact legislation that complies with the Initiative, nor can it predict how the constitutional provisions proposed within the Initiative will be implemented or which state or local government agencies will be tasked with implementing and administering any laws relating to an open, competitive retail electric energy market. Thus, the financial impact relating to the administration of the Initiative by potentially affected state and local government entities cannot be determined with any reasonable degree of certainty.

Under current law, state and local governments, including school districts, may receive revenue from taxes and fees imposed upon certain public utilities operating within the jurisdiction of that government entity, based on the gross revenue or net profits received by the public utility within that jurisdiction. The Fiscal Analysis Division cannot determine what effect, if any, the open, competitive retail electric energy market created by the Legislature and Governor may have on the consumption of electricity in Nevada, the price of electricity that is sold by these public utilities, or the gross revenue or net profits received by these public utilities. Thus, the potential effect, if any, upon revenue received by those government entities cannot be determined with any reasonable degree of certainty.

Additionally, because the Fiscal Analysis Division cannot predict whether enactment of Question 3 will result in any specific changes in the price of electricity or the consumption of electricity by state and local government entities, the potential expenditure effects on those government entities cannot be determined with any reasonable degree of certainty.

Prepared by the Fiscal Analysis Division of the Legislative Counsel Bureau – August 7, 2018

### **FULL TEXT OF THE MEASURE**

### THE ENERGY CHOICE INITIATIVE

EXPLANATION - Matter in bolded italics is new; matter between brackets fomitted material; is material to be omitted.

### THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

**Section 1.** Article 1 of the Nevada Constitution is hereby amended by adding thereto a new section to read as follows:

- 1. The People of the State of Nevada declare that it is the policy of this State that electricity markets be open and competitive so that all electricity customers are afforded meaningful choices among different providers, and that economic and regulatory burdens be minimized in order to promote competition and choices in the electric energy market. This Act shall be liberally construed to achieve this purpose.
- 2. Effective upon the dates set forth in subsection 3, every person, business, association of persons or businesses, state agency, political subdivision of the State of Nevada, or any other entity in Nevada has the right to choose the provider of its electric utility service, including, but not limited to, selecting providers from a competitive retail electric market, or by producing electricity for themselves or in association with others, and shall not be forced to purchase energy from one provider. Nothing herein shall be construed as limiting such persons' or entities' rights to sell, trade or otherwise dispose of electricity.
- 3. (a) Not later than July 1, 2023, the Legislature shall provide by law for provisions consistent with this Act to establish an open, competitive retail electric energy market, to ensure that protections are established that entitle customers to safe, reliable, and competitively priced electricity, including, but not limited to, provisions that reduce costs to customers, protect against service disconnections and unfair practices, and prohibit the grant of monopolies and exclusive franchises for the generation of electricity. The Legislature need not provide for the deregulation of transmission or distribution of electricity in order to establish a competitive market consistent with this Act.
- (b) Upon enactment of any law by the Legislature pursuant to this Act before July 1, 2023, and not later than that date, any laws, regulations, regulatory orders or other provisions which conflict with this Act will be void. However, the Legislature may enact legislation consistent with this act that provides for an open electric energy market in part or in whole before July 1, 2023.
- (c) Nothing herein shall be construed to invalidate Nevada's public policies on renewable energy, energy efficiency and environmental protection or limit the Legislature's ability to impose such policies on participants in a competitive electricity market.
- 4. Should any part of this Act be declared invalid, or the application thereof to any person, thing or circumstance is held invalid, such invalidity shall not affect the remaining provisions or application of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable. This subsection shall be construed broadly to preserve and effectuate the declared purpose of this Act.

# **STATE QUESTION NO. 4**

Amendment to the Nevada Constitution

# **CONDENSATION (Ballot Question)**

Shall Article 10 of the *Nevada Constitution* be amended to require the Legislature to provide by law for the exemption of durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment prescribed for use by a licensed health care provider from any tax upon the sale, storage, use, or consumption of tangible personal property?

Yes □ No □

### **EXPLANATION & DIGEST**

**EXPLANATION**—This ballot measure proposes to amend the *Nevada Constitution* to require the Legislature to pass a law that allows for the exemption of durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment prescribed for human use by a licensed health care provider acting within his or her scope of practice from any tax on the sale, storage, use, or consumption of tangible personal property. The proposed amendment does not create an exemption of durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment from these taxes, but rather requires the Legislature to establish by law for such an exemption. Pursuant to Article 19, Section 2, of the *Nevada Constitution*, approval of this measure is required at two consecutive general elections before taking effect.

A "Yes" vote would amend Article 10 of the *Nevada Constitution* so that the Legislature would be required to pass a law exempting durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment prescribed for human use by a licensed health care provider from taxation related to the sale, storage, use, or consumption of the equipment.

A "No" vote would retain the provisions of Article 10 of the Nevada Constitution in their current form. These provisions do not require the Legislature to pass a law exempting durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment prescribed for human use by a licensed health care provider from taxation related to the sale, storage, use, or consumption of the equipment.

**DIGEST**—Article 10 of the *Nevada Constitution* contains provisions relating to taxation. Approval of this question would add a new section to Article 10 of the *Nevada Constitution* to require the Legislature to pass a law that allows for the exemption of durable medical equipment, oxygen delivery equipment, and mobility enhancing equipment prescribed for human use by a licensed health care provider acting within his or her scope of practice from any tax on the sale, storage,

use, or consumption of tangible personal property. This tax exemption would decrease public revenue as this equipment is currently subject to sales and use tax.

#### ARGUMENTS FOR PASSAGE

# Medical Patient Tax Relief Act

A YES vote on Question 4 helps sick, injured, and dying patients and their families. It stops the Department of Taxation from imposing unnecessary sales taxes on medical equipment prescribed by physicians, such as wheelchairs, infant apnea monitors, and oxygen delivery devices. It will bring Nevada in line with the vast majority of states which do not tax this type of equipment for home use.<sup>1</sup>

A YES vote would relieve the sales tax burden on medical equipment used by patients who require oxygen devices to live, such as those with cancer, asthma, and cardiac disease; babies who need protection from Sudden Infant Death Syndrome; children with cystic fibrosis on home ventilators; and hospice patients in their last weeks of life. Current Nevada law already exempts medicine and prosthetics because we have recognized how vital this relief is for our most vulnerable populations.<sup>2</sup> Question 4 simply seeks to extend this protection to critical medical equipment.

For insured Nevadans, this tax is contributing to the increasing copays, deductibles, and premium costs that are crippling family finances across the state. For uninsured Nevadans the impact is even worse: Sales tax on medical equipment can reach thousands of dollars for severely disabled patients, and it forces people to forego essential equipment prescribed by their doctors because they simply cannot afford to pay.

Fortunately, while this would have a significant impact on the patients and their families, there would be *very little impact to state tax revenue*. The Department of Taxation, itself, has estimated that a tax exemption on this medical equipment represents approximately 0.025% of the annual state budget.<sup>3</sup>

Almost all people will need some sort of medical equipment in their lifetimes. Voting YES on Question 4 is the compassionate, and eventually prudent, thing to do. Join over 100,000 Nevadans who signed the petition calling for the end to this tax. It will help hundreds of families today and may help yours tomorrow.

The above argument was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Josh Hicks (Chair), Alliance to Stop Taxes on the Sick and Dying PAC; Doug Bennett, Alliance to Stop Taxes on the Sick and Dying PAC; and Dr. Joseph Kenneth Romeo, private citizen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or impact on the public health, safety, and welfare. This argument, with active hyperlinks, can also be found at www.nvsos.gov.

### **REBUTTAL TO ARGUMENTS FOR PASSAGE**

The proponents of Question 4 argue that sales tax on durable medical equipment is "unnecessary." Sales tax funds services such as schools, police, and fire departments, to name a few. Are these services "unnecessary?" If that is true, why are voters in Washoe County being asked to increase their sales tax rate from 7.725% to 8.265% for additional school funding?<sup>1</sup>

The proponents say Question 4, "simply seeks to extend this protection to critical medical equipment." We do not know what this truly means because the language is vaguely worded, and the definitions and exemptions are left to be determined by the Legislature.

The proponents say, "The Department of Taxation, itself, has estimated that a tax exemption on this medical equipment represents approximately 0.025% of the annual state budget." This begs the question, on what "medical equipment?" Until the relevant Legislative session, how is it possible to estimate the impact of this unknown quantity?

The argument in support states, "Almost all people will need some sort of medical equipment." What does that have to do with the question before us? Again, you need to question what medical equipment are we talking about and what is the cost to everyday taxpayers?

The above rebuttal was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee member: Ann O'Connell (Chair), private citizen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or impact on the public health, safety, and welfare. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

<sup>&</sup>lt;sup>1</sup>https://www.leg.state.nv.us/App/NELIS/REL/78th2015/ExhibitDocument/OpenExhibitDocument?exhibitId=12642 &fileDownloadName=Streamlined%20Sales%20Tax%20Comparison.pdf.

<sup>&</sup>lt;sup>2</sup> NRS 372.283.

<sup>&</sup>lt;sup>3</sup> This percentage was reached by calculating the annual fiscal impact of Senate Bill 334 (2015) – \$931,714 – as a percentage of the State's fiscal year 2017 budget revenues of approximately \$3,700,000,000. See <a href="http://www.leg.state.nv.us/Session/78th2015/FiscalNotes/5266.pdf">http://www.leg.state.nv.us/Session/78th2015/FiscalNotes/5266.pdf</a> and <a href="http://openbudget.nv.gov/OpenGov/ViewBudgetSummary.aep?amountView=Year2&budgetVersionId=13&version=Leg&type=Rev&view=ObjectType">http://openbudget.nv.gov/OpenGov/ViewBudgetSummary.aep?amountView=Year2&budgetVersionId=13&version=Leg&type=Rev&view=ObjectType</a>.

<sup>&</sup>lt;sup>1</sup> Sales tax increase on ballot this fall in Washoe County, News 4 on Your Side, February 15, 2016, http://mynews4.com/news/local/sales-tax-increase-on-ballot-this-fall-in-washoe-county.

#### ARGUMENTS AGAINST PASSAGE

#### **VOTE NO ON QUESTION 4!**

Basic budget principles state that when expenses exceed revenues, debt is created. When the law requires state or local government agencies such as schools to be funded, the law expects a set amount of revenue to fund that agency. When a tax exemption reduces the amount of revenue expected, the agency has no choice but to request a replacement of the lost funding. To do that the agency must depend on the Governor and the Legislature to include the lost funding in the budget.

Sales taxes pay for a myriad of services Nevadans rely on including schools, police, fire departments, libraries, and parks, to name a few.

Question 4 seeks to exempt durable medical equipment from sales tax. On the surface, this exemption seems like a good thing, providing tax relief to those in need. However, this exemption is really a wolf in sheep's clothing:

- 1. It is vaguely worded without clear definitions of what specific devices will be exempt and who will benefit, leaving such determination to the Legislature;
- 2. It decreases an unknown amount of revenue from an already strained budget, creating the need for higher taxes in the future; and
- 3. It uses the law to provide special privileges to a special-interest group at the expense of everyday taxpayers.

Tax exemptions have consequences for the taxpayer; the same consequences as tax subsidies, tax breaks, tax abatements, and tax incentives. The Nevada Department of Taxation's 2013-2014 Tax Expenditure Report states that Nevada has 243 such tax expenditures that cost taxpayers over \$3.7 BILLION a biennium.<sup>1</sup>

Who is footing the bill for all those exemptions? You, the local taxpayer.

You should be mindful of the most recent government "giveaways," such as the approval of \$1.3 BILLION in subsidies to Tesla<sup>2</sup>, \$215 MILLION in tax incentives to Faraday<sup>3</sup>, and \$7.8 Million in tax abatements to six different companies relocating to Nevada<sup>4</sup>.

Ask yourself, is Question 4 just another "giveaway," and is there any follow-up to see if promises made for these "giveaways" are promises kept?

The question also needs to be asked, isn't this just another burden on Nevada taxpayers? If it isn't, why in 2003 and again in 2015 did our governors go after a BILLION-plus dollars in tax increases<sup>5</sup>?

When the wolf comes huffing and puffing at your door, reject it. Vote NO on Question 4!

The above argument was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee member: Ann O'Connell (Chair), private citizen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or impact on the public health, safety, and welfare. This argument, with active hyperlinks, can also be found at www.nvsos.gov.

http://tax.nv.gov/uploadedFiles/taxnvgov/Content/TaxLibrary/Tax Expenditure Report 2013-2014.pdf.

http://www.reviewjournal.com/opinion/editorials/editorial-tesla-the-news.

#### REBUTTAL TO ARGUMENTS AGAINST PASSAGE

This is taxation at its worst, targeting the most vulnerable Nevadans. These aren't wealthy people paying sales tax for new cars. These are sick people required to pay taxes on the machines that keep them alive.

The real "wolf in sheep's clothing" is the pro-tax argument, which is misleading in three ways:

- 1. The proposal is not vague. Durable medical equipment is already defined in Nevada law.
- 2. The budget won't be hurt. The cities of Las Vegas and Reno both assessed the proposal, concluding that the impact will be immaterial. And, comparing this to the billions in tax breaks for Tesla is irresponsible the annual impact of Question 4 will be less than one one-thousandth of that amount.
- 3. Lastly, this only benefits "special-interest groups?" How many of our neighbors need oxygen or a CPAP to breathe, a wheelchair to move, or a nebulizer to treat their child's asthma? How many babies need the protection of apnea monitors in their first weeks of life? Most Nevadans, or their families, will be impacted in their lifetimes.

Vote YES on Question 4 because there are better ways to fund the state than on the backs of our sick, injured, and dying.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Josh Hicks (Chair), Alliance to Stop Taxes on the Sick and Dying PAC; Doug Bennett, Alliance to Stop Taxes on the Sick and Dying PAC; and Dr. Joseph Kenneth Romeo, private citizen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or impact on the public health, safety, and welfare. This rebuttal, with active hyperlinks, can also be found at www.nvsos.gov.

<sup>&</sup>lt;sup>1</sup> Nevada Department of Taxation, 2013-2014 Tax Expenditure Report,

<sup>&</sup>lt;sup>2</sup> Editorial: Tesla in the News, Las Vegas Review Journal, July 26, 2016,

<sup>&</sup>lt;sup>3</sup> Faraday Future gets OK to begin grading at North Las Vegas site, Las Vegas Review Journal, July 28, 2016, <a href="http://www.reviewjournal.com/business/economic-development/faraday-future-gets-ok-begin-grading-north-las-vegas-site">http://www.reviewjournal.com/business/economic-development/faraday-future-gets-ok-begin-grading-north-las-vegas-site</a>.

<sup>&</sup>lt;sup>4</sup> More tech companies moving to Nevada, Las Vegas Review Journal, July 25, 2016, http://www.reviewjournal.com/business/more-tech-companies-moving-nevada.

<sup>&</sup>lt;sup>5</sup> Assembly Bill 4, Senate Bill 2, and Senate Bill 8: 20th (2003) Special Session; Senate Bill 483: 78th (2015) Session.

#### **FISCAL NOTE**

## FINANCIAL IMPACT – CANNOT BE DETERMINED

### **OVERVIEW**

Question 4 proposes to amend Article 10 of the *Nevada Constitution* by adding a new section, designated Section 7, that would require the Legislature to provide by law for an exemption from the sales and use tax for durable medical equipment, oxygen delivery equipment and mobility enhancing equipment prescribed for human use by a licensed provider of health care acting within his or her scope of practice.

## **FINANCIAL IMPACT OF QUESTION 4**

Under current law, the statewide sales and use tax rate is 6.85 percent. Four separate tax rates make up this combined rate:

- The State rate (2 percent), which is deposited in the State General Fund;
- The Local School Support Tax rate (2.6 percent), which is distributed among the state's school districts and to the State Distributive School Account;
- The Basic City-County Relief Tax rate (0.5 percent), which is distributed among counties, cities, and other local government entities through the Consolidated Tax Distribution (CTX) mechanism; and
- The Supplemental City-County Relief Tax rate (1.75 percent), which is distributed among counties, cities, and other local government entities through the CTX mechanism.

In addition, in thirteen of Nevada's seventeen counties (Carson City, Churchill, Clark, Douglas, Elko, Lander, Lincoln, Lyon, Nye, Pershing, Storey, Washoe, and White Pine), additional local sales and use tax rates are levied for specific purposes through legislative authority or by voter approval. The revenue from these tax rates is distributed to the entity or for the purpose for which the rate is levied.

If voters approve Question 4 at the November 2018 General Election, the Legislature and Governor would need to approve legislation to implement the sales and use tax exemptions specified within the question before these exemptions could become effective. The legislation providing an exemption from the sales and use tax for durable medical equipment, oxygen delivery equipment and mobility enhancing equipment prescribed for human use by a licensed provider of health care acting within his or her scope of practice will reduce the amount of sales and use tax revenue that is received by the state and local governments, including school districts, currently entitled to receive sales and use tax revenue from any of the rates imposed, beginning on the effective date of the legislation.

However, the Fiscal Analysis Division cannot determine when the Legislature and Governor will approve the legislation necessary to enact these exemptions or the effective date of the legislation that is approved. Additionally, the Fiscal Analysis Division cannot determine how the terms specified within Question 4 would be defined in the legislation, nor can it estimate the

amount of sales that would be subject to the exemption. Thus, the revenue loss to the affected state and local governments cannot be determined by the Fiscal Analysis Division with any reasonable degree of certainty.

The Department of Taxation has indicated that the implementation and administration of the exemptions specified within Question 4 can be performed using current resources, resulting in no additional financial impact upon state government.

Prepared by the Fiscal Analysis Division of the Legislative Counsel Bureau – August 2, 2018

## FULL TEXT OF THE MEASURE

#### MEDICAL PATIENT TAX RELIEF ACT

EXPLANATION - Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

#### THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

**Section 2.** Article 10 of the Nevada Constitution is hereby amended by adding thereto a new section to be designated as Section 7, to read as follows:

Sec. 7. The legislature shall provide by law for the exemption of durable medical equipment, oxygen delivery equipment and mobility enhancing equipment prescribed for human use by a licensed provider of health care acting within his or her scope of practice from any tax upon the sale, storage, use or consumption of tangible personal property.

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## **STATE QUESTION NO. 5**

Amendment to Title 24 of the Nevada Revised Statutes

## **CONDENSATION (Ballot Question)**

Shall Chapter 293 of the Nevada Revised Statutes be amended to establish a system that will automatically register an eligible person to vote, or update that person's existing Nevada voter registration information, at the time the person applies to the Nevada Department of Motor Vehicles for the issuance or renewal of any type of driver's license or identification card, or makes a request to change the address on such a license or identification card, unless the person affirmatively declines in writing?

Yes □ No □

#### **EXPLANATION & DIGEST**

**EXPLANATION**—This ballot measure proposes to amend Chapter 293 of the *Nevada Revised Statutes* to require the Secretary of State, the Department of Motor Vehicles (DMV), and each county clerk to cooperatively establish a system that automatically registers to vote an eligible person when the person submits an application for the issuance or renewal of or change of address for any type of driver's license or identification card issued by the DMV. If the person is already registered to vote, the system would automatically update his or her existing Nevada voter registration information. The person would be allowed to affirmatively decline in writing to register to vote if he or she did not want to register to vote.

The system established by the Secretary of State, the DMV, and each county clerk pursuant to this measure must allow voter registration information collected by the DMV to be transmitted electronically to the Secretary of State and the county clerks for the purpose of registering the person to vote or updating the voter registration information of the person for the purpose of correcting the statewide voter registration list. Pursuant to the measure, this electronic transmission of voter registration information must be secure. The storage of any voter registration information collected pursuant to the measure must also be secure.

Prior to concluding the person's transaction, the ballot measure requires the DMV to notify each person who submits an application for the issuance or renewal of or change of address for any type of driver's license or identification card issued by the DMV of the following information:

- The qualifications to vote in Nevada;
- That the person will be automatically registered to vote unless he or she affirmatively declines in writing;
- That indicating a political party affiliation or no political party affiliation is voluntary;

- That the person may indicate a political party affiliation on the voter registration form;
- That the person will not be able to vote at a primary election for candidates for partisan offices of a major political party unless the person indicates a major political party affiliation;
- That the decision of whether to register to vote or not will not affect the person's transactions with the DMV or the DMV's services;
- That the person's decision regarding whether to register to vote or not cannot legally be disclosed to the public; and
- That any information collected by the DMV for automatic voter registration cannot be used for any purpose other than voter registration.

According to the measure, if the person does not affirmatively decline in writing to register to vote, certain personal information will be transmitted to the appropriate county election official who will determine if the application to register to vote is complete. The county election official must notify the person if the application is incomplete and additional information is required.

A "Yes" vote would amend Chapter 293 of the *Nevada Revised Statutes* to establish a system that will automatically register to vote, or update the existing Nevada registration information of, any eligible person who applies to the Department of Motor Vehicles for the issuance or renewal of any type of Nevada driver's license or identification card, or who makes a request to change the address on such a license or identification card, unless the person affirmatively declines in writing.

A "No" vote would not amend Chapter 293 of the *Nevada Revised Statutes* to establish an automatic voter registration system for any eligible person who applies to the Department of Motor Vehicles for the issuance or renewal of any type of Nevada driver's license or identification card, or who makes a request to change the address on such a license or identification card.

**DIGEST**—Under current law, the Department of Motor Vehicles (DMV) is designated as a voter registration agency. As such, the DMV must perform certain activities related to voter registration, including posting instructions regarding the voter registration process and providing an application to register to vote to each person who applies for the issuance or renewal of any type of driver's license or identification card issued by the DMV. Current law also requires the DMV to forward each application to register to vote to the county election official in the county where the applicant resides. If approved by the voters, this measure will have a financial impact on the Secretary of State, DMV, and county election officials; however, the extent of the financial impact will depend on the nature of the system that is cooperatively established pursuant to the requirements of this measure.

If approved, this ballot measure will not remove or eliminate any of the requirements of the DMV as it relates to being a voter registration agency and providing an application to register to vote to each person who applies for the issuance or renewal of any type of driver's license or identification card issued by the DMV. Instead, the ballot measure seeks to change voter registration at the DMV from an "opt in" process to an "opt out" process, meaning the person

applying for the issuance or renewal of a driver's license or identification card issued by the DMV would need to affirmatively decline in writing in order to opt out of being registered to vote. Under current law, individuals applying for the issuance or renewal of a driver's license or identification card issued by the DMV must opt in in order to register to vote by taking certain actions. Because of this proposed switch to an "opt out" process, the change sought by this measure is often described as automatic voter registration.

## **ARGUMENTS FOR PASSAGE**

The Automatic Voter Registration Initiative

Yes on Question 5!

Voting is our fundamental right. It is our most important way to guarantee our rights and freedoms—and it's a responsibility to be taken seriously by both the people and the government. Yet our outdated voter registration process makes it unnecessarily difficult for eligible Nevada citizens to have their voices heard<sup>1</sup> and leaves our registration system vulnerable to errors.<sup>2</sup> Question 5 will modernize voter registration, clean the voter rolls, make it more convenient for eligible Nevadans to register, including military members<sup>3</sup>, rural residents, and those who have recently moved.<sup>4</sup> It will reduce the risk of fraud and lower costs.<sup>5</sup>

Question 5 makes two small changes that will increase the security of our election system.<sup>6</sup> First, when a citizen does business with the DMV, such as renewing a driver's license, they will also submit a voter registration application or have their existing voter registration information updated.<sup>7</sup> Anyone who does not wish to register can quickly and easily decline. Second, the DMV will securely transfer voter registration information to election officials for verification.<sup>8</sup> Whether a voter chooses to register or not, Question 5 makes the system efficient and secure.<sup>9</sup> Registration applications under Question 5 will be subject to an additional layer of verification to screen out people who are ineligible to vote.

These two changes create a modern system that leaves less room for human error due to bad handwriting, mishandled or lost paper registration forms, or manual data entry. Additionally, because more voters are able to update their registration, outdated or duplicate records will be removed. 11

Fourteen states, including Colorado and Oregon, have automated verification and registration. <sup>12</sup> Many states have reported savings on staff time, paper processing, and mailing. <sup>13</sup>

Every citizen who wants to vote should have a fair and equal opportunity to get registered and stay registered. Vote YES on Question 5.

The above argument was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Matt Griffin and Sondra Cosgrove. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

http://www.pewtrusts.org/~/media/legacy/uploadedfiles/pcs\_assets/2012/pewupgradingvoterregistrationpdf.pdf 
6 https://www.leg.state.nv.us/Session/79th2017/Bills/IP/IP1\_EN.pdf

## **REBUTTAL TO ARGUMENTS FOR PASSAGE**

The Secretary of State's (SOS) office currently has procedures to maintain accurate and current voter registration lists. In 2012 the Nevada SOS office helped to pioneer the formation of the Electronic Registration Information Center (ERIC). ERIC is an innovative approach to list maintenance, using information from the Department of Motor Vehicles, Social Security Administration records and other databases to compare voters within Nevada and in other member states.<sup>1</sup>

Nevada's SOS website also provides for voter registration for Uniformed and Overseas Citizens to register to vote.<sup>2</sup> In addition, the DMV also offers online voter registration. You can complete a voter registration application or update your current registration online *during* a Change of Address, License/ID Renewal or Duplicate request. If you need to go to a DMV office, you can complete a voter registration application or update your current registration in person.<sup>3</sup>

Every citizen who wants to register to vote has the opportunity to do so whenever they wish to do so. The online options mentioned above, including an in-person visit to the DMV if needed, offers a modern, fair and equal opportunity for citizens to become registered to vote.

<sup>&</sup>lt;sup>1</sup>http://www.pewtrusts.org/~/media/legacy/uploadedfiles/pcs\_assets/2012/pewupgradingvoterregistrationpdf.pdf

<sup>&</sup>lt;sup>2</sup> http://vote.caltech.edu/working-papers/81

<sup>&</sup>lt;sup>3</sup> http://www.philly.com/philly/opinion/automatic-voter-registration-new-jersey-avr-online-voting-opinion-20180305.html; https://www.usnews.com/opinion/articles/2009/07/27/voting-obstacles-suppress-military-vote

<sup>&</sup>lt;sup>4</sup> https://www.americanprogress.org/issues/democracy/reports/2017/06/07/433677/votes-automatic-voter-registration/; http://www.ncsl.org/research/elections-and-campaigns/automatic-voter-registration.aspx

<sup>&</sup>lt;sup>5</sup> http://www.projectvote.org/wp-content/uploads/2010/01/Paperless-Registration-Case-Study-FINAL.pdf; https://www.americanprogress.org/issues/democracy/reports/2017/06/07/433677/votes-automatic-voter-registration/;

<sup>&</sup>lt;sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> Id.

<sup>&</sup>lt;sup>9</sup> https://www.americanprogress.org/issues/democracy/reports/2017/06/07/433677/votes-automatic-voter-registration/

<sup>&</sup>lt;sup>10</sup> https://www.brennancenter.org/analysis/automatic-voter-registration

<sup>&</sup>lt;sup>11</sup> https://www.scribd.com/document/287069526/Case-for-Automatic-Voter-Registration#fullscreen&from embed

http://www.ncsl.org/research/elections-and-campaigns/automatic-voter-registration.aspx; https://www.sltrib.com/news/politics/2018/03/08/do-you-want-to-register-to-vote-utah-enacts-widespread-election-law-changes-including-election-day-registration-here-are-all-the-changes/

https://www.scribd.com/document/287069526/Case-for-Automatic-Voter-Registration#fullscreen&from embed; https://www.nytimes.com/2016/12/02/us/politics/oregon-voter-registration.html

The above rebuttal was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee members: Lynn Armanino and Nickie Diersen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or an impact on public health, safety, and welfare. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

#### **ARGUMENTS AGAINST PASSAGE**

The right to vote is one of the most important liberties we enjoy as Americans and it is one of our greatest responsibilities as citizens.<sup>1</sup>

The fundamental right of deciding whether one wishes to initiate voter registration belongs to the individual and not the government.<sup>2</sup>

Question 5 would change the "Opt In" voter registration process at the Department of Motor Vehicles (DMV) to "Opt Out."

Currently the "Opt In" system is in place at the DMV and this system is in compliance with federal law (National Voter Registration Act of 1993).<sup>3</sup> The "Opt In" driver's licensing and voter registration are a simultaneous process in which the customer completes a single form that serves as both a driver's license application to the DMV and a voter registration document for use by election officials.

Automatic Voter Registration (AVR) does not improve "access" as we currently have excellent access via the DMV in person or online, or through the Secretary of State website in which it can be done either online or by mail.<sup>4</sup>

The proposed "Opt Out" system shifts the responsibility of registering to vote from the individual to the government. Nevada residents who do not want to be registered will have to affirmatively "Opt Out" or have their names and addresses automatically added to voter rolls and become public information.

Currently there is no evidence to support that increased voter registration leads to higher voter turnout.<sup>5</sup> Just because a voter is registered does not mean he or she will vote on Election Day. There are numerous reasons why people don't vote. According to a U.S. Census Bureau Report from the 2016 elections Americans chose not to vote because they didn't like the candidates or issues (24%), were too busy (14%), or simply weren't interested (15%).<sup>6</sup>

<sup>&</sup>lt;sup>1</sup> https://www.nvsos.gov/sos/elections/voters/voter-record-maintenance

<sup>&</sup>lt;sup>2</sup> https://www.nvsos.gov/sos/elections/voters/uniformed-overseas-citizens

<sup>&</sup>lt;sup>3</sup> http://www.dmvnv.com/dlvote.htm

Passing Question 5 would also incur expenses to implement. The Secretary of State's office estimates the cost of implementation to be up to \$221,000.<sup>7</sup>

It is not prudent to implement a costly revamping of our current "Opt In" Voter Registration system with no evidence to support that it would increase voter turnout on Election Day.

The above argument was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee members: Lynn Armanino and Nickie Diersen. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any environmental impact or an impact on public health, safety, and welfare. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

#### **REBUTTAL TO ARGUMENTS AGAINST PASSAGE**

Ever wonder why people have to re-register to vote every time they move? Nevadans move a lot, which can lead to inaccurate voter records. Government has a responsibility to keep our registration records accurate. Voting Yes on Question 5 does exactly that—making it more convenient for eligible citizens to register to vote and saving taxpayers millions by modernizing an outdated system. 2

Question 5 eliminates the need to re-register every time you move, because your registration moves with you when you change your address with the DMV.<sup>3</sup> And if you don't want to be registered, you can decline, quickly and easily.<sup>4</sup>

Question 5 makes voting more accessible for working parents, military families, and people in rural areas. Policies like Question 5 have already passed in 14 states, and bipartisan experts agree that they made voting more accessible for eligible citizens. In Oregon, it helped 250,000 citizens register to vote, including 75,000 in rural areas.

Question 5 is a small, common-sense change that helps eligible citizens get registered — but Nevadans will still have to take personal responsibility to vote. Question 5 streamlines the registration process with an efficient, secure system that automatically verifies eligibility and keeps voter records accurate and updated.

<sup>&</sup>lt;sup>1</sup> http://www.escambiavotes.com/voter-rights-and-responsibilities

<sup>&</sup>lt;sup>2</sup>http://www.ncsl.org/documents/summit/summit2015/onlineresources/Legal Implications of Automatic Voter Registration.pdf

<sup>&</sup>lt;sup>3</sup> https://www.justice.gov/crt/national-voter-registration-act-1993-nvra

<sup>&</sup>lt;sup>4</sup> http://www.dmvnv.com/dlvote.htm

<sup>&</sup>lt;sup>5</sup> http://www.ncsl.org/research/elections-and-campaigns/automatic-voter-registration.aspx#disadvantages%20auto%20reg

<sup>&</sup>lt;sup>6</sup> http://www.pewresearch.org/fact-tank/2017/06/01/dislike-of-candidates-or-campaign-issues-was-most-common-reason-for-not-voting-in-2016/

<sup>&</sup>lt;sup>7</sup> https://www.nvsos.gov/sos/home/showdocument?id=4715

The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Matt Griffin and Sondra Cosgrove. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

#### **FISCAL NOTE**

## FINANCIAL IMPACT – YES

## **OVERVIEW**

Question 5 proposes to amend various sections of the *Nevada Revised Statutes* to require the Secretary of State, the Department of Motor Vehicles (DMV), and county clerks to cooperatively establish a system by which certain voter registration information that is required to be collected by the DMV pursuant to this question is electronically transmitted to the Secretary of State and the county clerks and registrars of voters.

#### FINANCIAL IMPACT OF QUESTION 5

The Department of Motor Vehicles (DMV) indicated that the provisions of Question 5 specify that a person is deemed as consenting to the transmission of their voter information to county clerks and registrars unless they decline in writing, or "opt out." The Department has indicated that compliance with these provisions will require approximately 1,000 hours of computer system programming, which DMV indicated would require the utilization of existing and contract staff to complete, at a cost of approximately \$60,000.

The DMV additionally indicated that compliance with the opt-out provisions in Question 5 would require the DMV to revise the current applications for driver's licenses and state identification cards, as well as to begin issuing postcards to notify applicants that their voter information has been transmitted to the Secretary of State's Office. The DMV has estimated that the additional cost to perform these tasks would be approximately \$56,000 per fiscal year.

The Secretary of State's Office provided four different scenarios relating to the implementation of the provisions of Question 5, with specific costs for each scenario, as follows:

The DMV would be required to work directly with the county clerks and registrars to develop
a system to electronically transfer voter registration information collected by the DMV. No
data would pass through any systems operated by the Secretary of State; however, the
Secretary of State's Office may be required to provide advice and assistance to the DMV and

<sup>&</sup>lt;sup>1</sup> http://www.pewtrusts.org/~/media/legacy/uploadedfiles/pcs assets/2012/pewupgradingvoterregistrationpdf.pdf

<sup>&</sup>lt;sup>2</sup> https://www.leg.state.nv.us/Session/79th2017/Bills/IP/IP1\_EN.pdf

<sup>&</sup>lt;sup>3</sup> Id.

<sup>&</sup>lt;sup>4</sup> Id.

<sup>&</sup>lt;sup>5</sup> https://www.commoncause.org/massachusetts/our-work/expand-voting-rights-election-integrity/automatic-voter-registration/

<sup>&</sup>lt;sup>6</sup> https://www.brennancenter.org/analysis/voter-registration-modernization-support

the county clerks and registrars using existing staff. This scenario assumes that data transfers between the county clerks and registrars and the Secretary of State to update the current Statewide Voter Registration List would continue under the current processes.

The Secretary of State's Office has indicated that this scenario would result in no financial impact upon the Secretary of State's Office.

2. The Secretary of State's office would act as a conduit and pass voter registration information collected by the DMV to the county clerks and registrars using existing applications, connections, software, and systems maintained by both the DMV and the counties. Under this scenario, the bulk of the project responsibilities regarding the secure automated download programs required under Question 5 would lie with the DMV and/or the county clerks and recorders.

The Secretary of State's Office has indicated that the implementation of this scenario would require the services of a contract business process analyst, which is estimated by the Secretary of State's Office to have a cost of approximately \$110,000.

 The Secretary of State's Office would be required to enhance existing applications, connections, software, and systems to automatically integrate voter registration information collected by the DMV into the local voter registration systems operated by the county clerks and registrars.

The Secretary of State's Office has estimated that the cost for implementing this scenario would be approximately \$221,000, relating to the design, development, and documenting of internal system enhancements, as well as enhancements that would be required to local voter registration systems.

4. The Secretary of State's Office, in concert with the DMV and the county clerks and registrars, would be required to develop a statewide voter registration database compliant with the federal Help America Vote Act of 2002 (HAVA). To maintain compliance with HAVA, the statewide database would be required to be a single, uniform, official, centralized, interactive computerized statewide voter registration list defined, maintained, and administered at the state level. In addition, the statewide database would be required to be coordinated with other agency databases within the state.

The Secretary of State's Office has estimated that the cost to develop a statewide voter registration database compliant with HAVA would likely require the purchasing or licensing of a base system, which would either be maintained by the Secretary of State's Office or be maintained through a service-level agreement with the vendor. The Office has estimated that the development and implementation of this system would result in expenditures of approximately \$4.8 million.

The Fiscal Analysis Division additionally received information from counties indicating that the implementation of Question 5 may result in additional implementation costs at the county level relating to programming of systems. Although some counties indicated that no programming changes were necessary to implement this question, other counties indicated that programming changes would be required, with costs as high as approximately \$200,000 (in Clark County). The responses received from the counties also anticipated one-time and ongoing expenses for additional personnel, voter machines, voter registration cards, sample ballots, and absentee ballots that may result from a potential increase in the number of registered voters, which ranged from as low as \$1,000 per year in smaller counties to as high as \$500,000 per year in Clark County.

Although it is clear that implementing Question 5 will have some financial impact on state agencies and local governments, the costs incurred will depend on the nature of the system that is cooperatively established by the Secretary of State, the DMV and the county clerks as required by Question 5.

Prepared by the Fiscal Analysis Division of the Legislative Counsel Bureau – August 6, 2018

#### **FULL TEXT OF THE MEASURE**

#### THE AUTOMATIC VOTER REGISTRATION INITIATIVE

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

## THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 293 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this act.
- Sec. 2. 1. The Secretary of State, the Department of Motor Vehicles and each county clerk shall cooperatively establish a system by which voter registration information that is collected pursuant to section 4 of this act by the Department from a person who submits an application for the issuance or renewal of or change of address for any type of driver's license or identification card issued by the Department must be transmitted electronically to the Secretary of State and the county clerks for the purpose of registering the person to vote or updating the voter registration information of the person for the purpose of correcting the statewide voter registration list pursuant to NRS 293.530.
  - 2. The system established pursuant to subsection 1 must:
- (a) Ensure the secure electronic storage of information collected pursuant to section 4 of this act, the secure transmission of such information to the Secretary of State and county clerks and the secure electronic storage of such information by the Secretary of State and county clerks;
- (b) Provide for the destruction of records by the Department as required by subsection 2 of section 5 of this act; and
- (c) Enable the county clerks to receive, view and collate the information into individual electronic documents pursuant to paragraph (c) of subsection 1 of section 6 of this act.

- Sec. 3. 1. The Department of Motor Vehicles shall follow the procedures described in this section and sections 4 and 5 of this act if a person applies to the Department for the issuance or renewal of or change of address for any type of driver's license or identification card issued by the Department.
- 2. Before concluding the person's transaction with the Department, the Department shall notify each person described in subsection 1:
  - (a) Of the qualifications to vote in this State, as provided by NRS 293.485;
- (b) That, unless the person affirmatively declines in writing to apply to register to vote or have his or her voter registration information updated, as applicable:
- (1) The person is deemed to have consented to the transmission of information to the Secretary of State and the county clerks for the purpose of registering the person to vote or updating the voter registration information of the person for the purpose of correcting the statewide voter registration list pursuant to NRS 293.530; and
- (2) The Department will transmit to the county clerk of the county in which the person resides all information required to register the person to vote pursuant to this chapter or to update the voter registration information of the person for the purpose of correcting the statewide voter registration list pursuant to NRS 293.530;
  - (c) **That:**
- (1) Indicating a political party affiliation or indicating that the person is not affiliated with a political party is voluntary;
- (2) The person may indicate a political party affiliation on a paper or electronic form provided by the Department; and
- (3) The person will not be able to vote at a primary election or primary city election for candidates for partisan offices of a major political party unless the person updates his or her voter registration information to indicate a major political party affiliation; and
  - (d) Of the provisions of subsections 2 and 3 of section 7 of this act.
- 3. The failure or refusal of the person to acknowledge that he or she has received the notice required by subsection 2:
- (a) Is not a declination by the person to apply to register to vote or have his or her voter registration information updated; and
- (b) Shall not be deemed to affect any duty of the Department, the Secretary of State or any county clerk:
  - (1) Relating to the application of the person to register to vote; or
  - (2) To update the voter registration information of the person.
  - 4. The Department:
- (a) Shall prescribe by regulation the form of the notice required by subsection 2 and the procedure for providing it; and
- (b) Shall not require the person to acknowledge that he or she has received the notice required by subsection 2.
- Sec. 4. 1. Unless the person affirmatively declines in writing to apply to register to vote or have his or her voter registration information updated, as applicable, if a person applies to the Department of Motor Vehicles for the issuance or renewal of or change of address for a driver's license or identification card issued by the Department, the Department shall collect from the person:
- (a) A paper or electronic affirmation signed under penalty of perjury that the person is eligible to vote;

- (b) An electronic facsimile of the signature of the person, if the Department is capable of recording, storing and transmitting to the county clerk an electronic facsimile of the signature of the person;
- (c) Any personal information which the person has not already provided to the Department and which is required for the person to register to vote or to update the voter registration information of the person, including:
  - (1) The first or given name and the surname of the person;
- (2) The address at which the voter actually resides as set forth in NRS 293.486 and, if different, the address at which the person may receive mail, including, without limitation, a post office box or general delivery;
  - (3) The date of birth of the person;
  - (4) Except as otherwise provided in subsection 2, one of the following:
- (I) The number indicated on the person's current and valid driver's license or identification card issued by the Department, if the person has such a driver's license or identification card; or
- (II) The last four digits of the person's social security number, if the person does not have a driver's license or identification card issued by the Department and has a social security number; and
  - (5) The political party affiliation, if any, indicated by the person; and
- (d) The paper or electronic form, if any, completed by the person and indicating his or her political party affiliation.
- 2. If the person does not have the identification described in subparagraph (4) of paragraph (c) of subsection 1, the person must sign an affidavit stating that he or she does not have a current and valid driver's license or identification card issued by the Department or a social security number. Upon receipt of the affidavit, the county clerk shall issue an identification number to the person which must be the same number as the unique identifier assigned to the person for the purpose of the statewide voter registration list.
- Sec. 5. 1. Except as otherwise provided in this subsection, the Department of Motor Vehicles shall electronically transmit to the Secretary of State and the appropriate county clerk the information and any electronic documents collected from a person pursuant to section 4 of this act:
- (a) Except as otherwise provided in paragraph (b), not later than 5 working days after collecting the information; and
- (b) During the 2 weeks immediately preceding the fifth Sunday preceding an election, not later than 1 working day after collecting the information.
- 2. The Department shall destroy any record containing information collected pursuant to section 4 of this act that is not otherwise collected by the Department in the normal course of business immediately after transmitting the information to the Secretary of State and county clerk pursuant to subsection 1.
- 3. The Department shall forward the following paper documents on a weekly basis to the appropriate county clerk, or daily during the 2 weeks immediately preceding the fifth Sunday preceding an election:
- (a) Each signed affirmation collected pursuant to paragraph (a) of subsection 1 of section 4 of this act;
- (b) Any completed form indicating a political party affiliation collected pursuant to paragraph (d) of subsection 1 of section 4 of this act; and

- (c) Any affidavit signed pursuant to subsection 2 of section 4 of this act.
- Sec. 6. 1. Unless the person affirmatively declines in writing to apply to register to vote or have his or her voter registration information updated, as applicable, if a person applies to the Department of Motor Vehicles for the issuance or renewal of or change of address for any type of driver's license or identification card issued by the Department:
  - (a) The person shall be deemed an applicant to register to vote.
- (b) Any action taken by the person pursuant to section 4 of this act shall be deemed an act of applying to register to vote.
- (c) Upon receipt of the information collected from the person and transmitted to a county clerk by the Department of Motor Vehicles, the county clerk shall collate the information into an individual electronic document, which shall be deemed an application to register to vote.
- (d) Unless the applicant is already registered to vote, the date on which the person applies to register to vote pursuant to section 4 of this act shall be deemed the date on which the applicant registered to vote.
- 2. If the county clerk determines that the application is complete and that the applicant is eligible to vote pursuant to NRS 293.485, the name of the applicant must appear on the statewide voter registration list and the appropriate roster, and the person must be provided all sample ballots and any other voter information provided to registered voters. If the county clerk determines that the application is not complete, he or she shall notify the applicant that additional information is required in accordance with the provisions of NRS 293.524.
  - 3. For each applicant who applies to register to vote pursuant to section 4 of this act:
- (a) The electronic facsimile of the signature of the applicant shall be deemed to be the facsimile of the signature on the person's application to register to vote to be used for the comparison purposes of NRS 293.277 if:
- (1) An electronic facsimile of the signature has been collected and transmitted to the county clerk of the county in which the applicant resides pursuant to sections 4 and 5 of this act, respectively; and
- (2) The county clerk is capable of receiving, storing and using the facsimile of the signature for that purpose; or
- (b) If the conditions described in paragraph (a) are not met, the signature of the applicant on the affirmation signed pursuant to paragraph (a) of subsection 1 of section 4 of this act shall be deemed to be the signature on the person's application to register to vote for the purpose of making a facsimile thereof to be used for the comparison purposes of NRS 293.277.
- 4. If an applicant is already registered to vote, the county clerk shall use the voter registration information of the applicant transmitted by the Department of Motor Vehicles to correct the statewide voter registration list pursuant to NRS 293.530, if necessary.
- Sec. 7. 1. A person who affirmatively declines in writing to apply to register to vote or have his or her voter registration information updated, as applicable, pursuant to section 4 of this act may apply to register to vote at the Department of Motor Vehicles pursuant to NRS 293.524.
- 2. Whether a person applies to register to vote or have his or her voter registration information updated, as applicable, pursuant to section 4 of this act must not affect the provision of services or assistance to the person by the Department, and the fact of a person applying to register to vote or have his or her voter registration information updated, as applicable, pursuant to section 4 of this act or declining to do so must not be disclosed to the public.

- 3. Any information collected pursuant to sections 2 to 7, inclusive, of this act must not be used for any purpose other than voter registration.
- 4. Except as otherwise provided in this subsection, the Secretary of State shall adopt regulations necessary to carry out the provisions of sections 2 to 7, inclusive, of this act. The Secretary of State shall not require a person to provide any documentation in order to apply to register to vote or have his or her voter registration information updated, as applicable, pursuant to section 4 of this act that is not required by section 4 of this act or federal law, including, without limitation, documentation to prove the person's identity, citizenship or residence.
  - **Sec. 8.** NRS 293.12757 is hereby amended to read as follows:
- 293.12757 A person may sign a petition required under the election laws of this State on or after the date the person is deemed to be registered to vote pursuant to NRS 293.4855 or 293.517, [or] subsection 7 of NRS 293.5235 [...] or section 6 of this act.
  - **Sec. 9.** NRS 293.1277 is hereby amended to read as follows:
- 293.1277 1. If the Secretary of State finds that the total number of signatures submitted to all the county clerks is 100 percent or more of the number of registered voters needed to declare the petition sufficient, the Secretary of State shall immediately so notify the county clerks. After the notification, each of the county clerks shall determine the number of registered voters who have signed the documents submitted in the county clerk's county and, in the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, shall tally the number of signatures for each petition district contained or fully contained within the county clerk's county. This determination must be completed within 9 days, excluding Saturdays, Sundays and holidays, after the notification pursuant to this subsection regarding a petition containing signatures which are required to be verified pursuant to NRS 293.128, 295.056, 298.109, 306.035 or 306.110, and within 3 days, excluding Saturdays, Sundays and holidays, after the notification pursuant to this subsection regarding a petition containing signatures which are required to be verified pursuant to NRS 293.172 or 293.200. For the purpose of verification pursuant to this section, the county clerk shall not include in his or her tally of total signatures any signature included in the incorrect petition district.
- 2. Except as otherwise provided in subsection 3, if more than 500 names have been signed on the documents submitted to a county clerk, the county clerk shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerk is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures, whichever is greater. If documents were submitted to the county clerk for more than one petition district wholly contained within that county, a separate random sample must be performed for each petition district.
- 3. If a petition district comprises more than one county and the petition is for an initiative or referendum proposing a constitutional amendment or a statewide measure, and if more than 500 names have been signed on the documents submitted for that petition district, the appropriate county clerks shall examine the signatures by sampling them at random for verification. The random sample of signatures to be verified must be drawn in such a manner that every signature which has been submitted to the county clerks within the petition district is given an equal opportunity to be included in the sample. The sample must include an examination of at least 500 or 5 percent of the signatures presented in the petition district, whichever is greater. The Secretary of State shall determine the number of signatures that must be verified by each county clerk within the petition district.

- 4. In determining from the records of registration the number of registered voters who signed the documents, the county clerk may use the signatures contained in the file of applications to register to vote. If the county clerk uses that file, the county clerk shall ensure that every application in the file is examined, including any application in his or her possession which may not yet be entered into the county clerk's records. Except as otherwise provided in subsection 5, the county clerk shall rely only on the appearance of the signature and the address and date included with each signature in making his or her determination.
  - 5. If:
- (a) Pursuant to NRS 293.506, a county clerk establishes a system to allow persons to register to vote by computer; [or];
- (b) A person registers to vote pursuant to NRS 293D.230 and signs his or her application to register to vote using a digital signature or an electronic signature  $\{\cdot\}$ ; or
  - (c) A person registers to vote pursuant to section 4 of this act,
- → the county clerk may rely on such other indicia as prescribed by the Secretary of State in making his or her determination.
- 6. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, when the county clerk is determining the number of registered voters who signed the documents from each petition district contained fully or partially within the county clerk's county, he or she must use the statewide voter registration list available pursuant to NRS 293.675.
- 7. Except as otherwise provided in subsection 9, upon completing the examination, the county clerk shall immediately attach to the documents a certificate properly dated, showing the result of the examination, including the tally of signatures by petition district, if required, and transmit the documents with the certificate to the Secretary of State. In the case of a petition for initiative or referendum proposing a constitutional amendment or statewide measure, if a petition district comprises more than one county, the appropriate county clerks shall comply with the regulations adopted by the Secretary of State pursuant to this section to complete the certificate. A copy of this certificate must be filed in the clerk's office. When the county clerk transmits the certificate to the Secretary of State, the county clerk shall notify the Secretary of State of the number of requests to remove a name received by the county clerk pursuant to NRS 295.055 or 306.015.
- 8. A person who submits a petition to the county clerk which is required to be verified pursuant to NRS 293.128, 293.172, 293.200, 295.056, 298.109, 306.035 or 306.110 must be allowed to witness the verification of the signatures. A public officer who is the subject of a recall petition must also be allowed to witness the verification of the signatures on the petition.
- 9. For any petition containing signatures which are required to be verified pursuant to the provisions of NRS 293.200, 306.035 or 306.110 for any county, district or municipal office within one county, the county clerk shall not transmit to the Secretary of State the documents containing the signatures of the registered voters.
- 10. The Secretary of State shall by regulation establish further procedures for carrying out the provisions of this section.
  - **Sec. 10.** NRS 293.2725 is hereby amended to read as follows:
- 293.2725 1. Except as otherwise provided in subsection 2, in NRS 293.3081 and 293.3083 and in federal law, a person who registers to vote by mail or computer *or registers to vote pursuant to section 4 of this act*, or a person who preregisters to vote by mail or computer

and is subsequently deemed to be registered to vote, and who has not previously voted in an election for federal office in this State:

- (a) May vote at a polling place only if the person presents to the election board officer at the polling place:
- (1) A current and valid photo identification of the person, which shows his or her physical address; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517; and
  - (b) May vote by mail only if the person provides to the county or city clerk:
- (1) A copy of a current and valid photo identification of the person, which shows his or her physical address; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517.
- → If there is a question as to the physical address of the person, the election board officer or clerk may request additional information.
  - 2. The provisions of subsection 1 do not apply to a person who:
- (a) Registers to vote by mail or computer, or preregisters to vote by mail or computer and is subsequently deemed to be registered to vote, and submits with an application to preregister or register to vote:
  - (1) A copy of a current and valid photo identification; or
- (2) A copy of a current utility bill, bank statement, paycheck, or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517;
- (b) Except as otherwise provided in subsection 3, registers to vote by mail or computer and submits with an application to register to vote a driver's license number or at least the last four digits of his or her social security number, if a state or local election official has matched that information with an existing identification record bearing the same number, name and date of birth as provided by the person in the application;
- (c) Registers to vote pursuant to section 4 of this act and at that time presents to the Department of Motor Vehicles:
  - (1) A copy of a current and valid photo identification;
- (2) A copy of a current utility bill, bank statement, paycheck or document issued by a governmental entity, including a check which indicates the name and address of the person, but not including a voter registration card issued pursuant to NRS 293.517; or
- (3) A driver's license number or at least the last four digits of his or her social security number, if a state or local election official has matched that information with an existing identification record bearing the same number, name and date of birth as provided by the person in the application;
- (d) Is entitled to vote an absent ballot pursuant to the Uniformed and Overseas Citizens Absentee Voting Act, 52 U.S.C. §§ 20301 et seq.;
- [(d)] (e) Is provided the right to vote otherwise than in person under the Voting Accessibility for the Elderly and Handicapped Act, 52 U.S.C. §§ 20101 et seq.; or
  - (f) Is entitled to vote otherwise than in person under any other federal law.

- 3. The provisions of subsection 1 apply to a person described in paragraph (b) of subsection 2 if the voter registration card issued to the person pursuant to subsection 6 of NRS 293.517 is mailed by the county clerk to the person and returned to the county clerk by the United States Postal Service.
  - **Sec. 11.** NRS 293.504 is hereby amended to read as follows:
  - 293.504 1. The following offices shall serve as voter registration agencies:
  - (a) Such offices that provide public assistance as are designated by the Secretary of State;
- (b) Each office that receives money from the State of Nevada to provide services to persons with disabilities in this State;
  - (c) The offices of the Department of Motor Vehicles;
  - (d) The offices of the city and county clerks;
- (e) Such other county and municipal facilities as a county clerk or city clerk may designate pursuant to NRS 293.5035 or 293C.520, as applicable;
  - (f) Recruitment offices of the United States Armed Forces; and
  - (g) Such other offices as the Secretary of State deems appropriate.
  - 2. Each voter registration agency shall:
- (a) Post in a conspicuous place, in at least 12-point type, instructions for preregistering and registering to vote;
- (b) Except as otherwise provided in subsection 3 [,] and sections 2 to 7, inclusive, of this act, distribute applications to preregister or register to vote which may be returned by mail with any application for services or assistance from the agency or submitted for any other purpose and with each application for recertification, renewal or change of address submitted to the agency that relates to such services, assistance or other purpose;
- (c) Provide the same amount of assistance to an applicant in completing an application to preregister or register to vote as the agency provides to a person completing any other forms for the agency; and
  - (d) Accept completed applications to preregister or register to vote.
- 3. A voter registration agency is not required to provide an application to preregister or register to vote pursuant to paragraph (b) of subsection 2 to a person who applies for or receives services or assistance from the agency or submits an application for any other purpose if the person affirmatively declines to preregister or register to vote and submits to the agency a written form that meets the requirements of 52 U.S.C. § 20506(a)(6). Information related to the declination to preregister or register to vote may not be used for any purpose other than voter registration.
- 4. Except as otherwise provided in this subsection, [and] NRS 293.524 [.] and section 5 of this act, any application to preregister or register to vote accepted by a voter registration agency must be transmitted to the county clerk not later than 10 days after the application is accepted. The applications must be forwarded daily during the 2 weeks immediately preceding the last day to register to vote by mail pursuant to NRS 293.560 or 293C.527, as applicable. The county clerk shall accept any application which is obtained from a voter registration agency pursuant to this section and completed by the last day to register to vote by mail pursuant to NRS 293.560 or 293C.527, as applicable, if the county clerk receives the application not later than 5 days after that date.
- 5. The Secretary of State shall cooperate with the Secretary of Defense to develop and carry out procedures to enable persons in this State to apply to preregister or register to vote at recruitment offices of the United States Armed Forces.

- **Sec. 12.** NRS 293.510 is hereby amended to read as follows:
- 293.510 1. [In] Except as otherwise provided in subsection 3, in counties where computers are not used to register voters, the county clerk shall:
- (a) Segregate original applications to register to vote according to the precinct in which the registered voters reside and arrange the applications in each precinct or district in alphabetical order. The applications for each precinct or district must be kept separately for each precinct or district. These applications must be used to prepare the rosters.
- (b) Arrange the duplicate applications of registration in alphabetical order for the entire county and keep them in binders or a suitable file which constitutes the registrar of voters' register.
- 2. [In] Except as otherwise provided in subsection 3, in any county where a computer is used to register voters, the county clerk shall:
- (a) Arrange the original applications to register to vote for the entire county in a manner in which an original application may be quickly located. These original applications constitute the registrar of voters' register.
- (b) Segregate the applications to register to vote in a computer file according to the precinct or district in which the registered voters reside, and for each precinct or district have printed a computer listing which contains the applications to register to vote in alphabetical order. These listings of applications to register to vote must be used to prepare the rosters.
- 3. From the applications to register to vote received by each county clerk, the county clerk shall:
- (a) Segregate the applications electronically transmitted by the Department of Motor Vehicles pursuant to subsection 1 of section 5 of this act in a computer file according to the precinct or district in which the registered voters reside; and
  - (b) Arrange the applications in each precinct or district in alphabetical order.
- 4. Each county clerk shall keep the applications to preregister to vote separate from the applications to register to vote until such applications are deemed to be applications to register to vote pursuant to NRS 293.4855.
  - **Sec. 13.** NRS 293.517 is hereby amended to read as follows:
- 293.517 1. Any person who meets the qualifications set forth in NRS 293.4855 residing within the county may preregister to vote and any elector residing within the county may register to vote:
- (a) Except as otherwise provided in NRS 293.560 and 293C.527, by appearing before the county clerk, a field registrar or a voter registration agency, completing the application to preregister or register to vote, giving true and satisfactory answers to all questions relevant to his or her identity and right to preregister or register to vote, and providing proof of residence and identity;
- (b) By completing and mailing or personally delivering to the county clerk an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
- (c) Pursuant to the provisions of NRS 293.524 or chapter 293D of NRS [;] or section 4 of this act;
- (d) At his or her residence with the assistance of a field registrar pursuant to NRS 293.5237; or
- (e) By submitting an application to preregister or register to vote by computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters.

- → The county clerk shall require a person to submit official identification as proof of residence and identity, such as a driver's license or other official document, before preregistering or registering the person. If the applicant preregisters or registers to vote pursuant to this subsection and fails to provide proof of residence and identity, the applicant must provide proof of residence and identity before casting a ballot in person or by mail or after casting a provisional ballot pursuant to NRS 293.3081 or 293.3083. For the purposes of this subsection, a voter registration card issued pursuant to subsection 6 does not provide proof of the residence or identity of a person.
- 2. [The] Except as otherwise provided in sections 2 to 7, inclusive, of this act, the application to preregister or register to vote must be signed and verified under penalty of perjury by the person preregistering or the elector registering.
- 3. Each person or elector who is or has been married must be preregistered or registered under his or her own given or first name, and not under the given or first name or initials of his or her spouse.
- 4. A person or an elector who is preregistered or registered and changes his or her name must complete a new application to preregister or register to vote, as applicable. The person or elector may obtain a new application:
  - (a) At the office of the county clerk or field registrar;
- (b) By submitting an application to preregister or register to vote pursuant to the provisions of NRS 293.5235;
- (c) By submitting a written statement to the county clerk requesting the county clerk to mail an application to preregister or register to vote;
  - (d) At any voter registration agency; or
- (e) By submitting an application to preregister or register to vote by computer, if the county clerk has established a system pursuant to NRS 293.506 for using a computer to register voters.
- → If the elector fails to register under his or her new name, the elector may be challenged pursuant to the provisions of NRS 293.303 or 293C.292 and may be required to furnish proof of identity and subsequent change of name.
- 5. Except as otherwise provided in subsection 7 [.] and sections 4 to 7, inclusive, of this act, an elector who registers to vote pursuant to paragraph (a) of subsection 1 shall be deemed to be registered upon the completion of an application to register to vote.
- 6. After the county clerk determines that the application to register to vote of a person is complete and that, except as otherwise provided in NRS 293D.210, the person is eligible to vote pursuant to NRS 293.485, the county clerk shall issue a voter registration card to the voter which contains:
  - (a) The name, address, political affiliation and precinct number of the voter;
  - (b) The date of issuance; and
  - (c) The signature of the county clerk.
- 7. If a person or an elector submits an application to preregister or register to vote or an affidavit described in paragraph (c) of subsection 1 of NRS 293.507 that contains any handwritten additions, erasures or interlineations, the county clerk may object to the application if the county clerk believes that because of such handwritten additions, erasures or interlineations, the application is incomplete or that, except as otherwise provided in NRS 293D.210, the person is not eligible to preregister pursuant to NRS 293.4855 or the elector is not eligible to vote pursuant to NRS 293.485, as applicable. If the county clerk objects pursuant to this subsection, he or she shall immediately notify the person or elector, as applicable, and the district attorney of the county.

Not later than 5 business days after the district attorney receives such notification, the district attorney shall advise the county clerk as to whether:

- (a) The application is complete and, except as otherwise provided in NRS 293D.210, the person is eligible to preregister pursuant to NRS 293.4855 or the elector is eligible to vote pursuant to NRS 293.485; and
  - (b) The county clerk should proceed to process the application.
- → If the district attorney advises the county clerk to process the application, the county clerk shall immediately issue a voter registration card to the applicant pursuant to subsection 6, if applicable.
  - **Sec. 14.** NRS 293.518 is hereby amended to read as follows:
- 293.518 1. [At] Except as otherwise provided in sections 3 and 4 of this act, at the time a person preregisters or an elector registers to vote, the person or elector must indicate:
  - (a) A political party affiliation; or
  - (b) That he or she is not affiliated with a political party.
- → A person or an elector who indicates that he or she is "independent" shall be deemed not affiliated with a political party.
- 2. If a person or an elector indicates that he or she is not affiliated with a political party, or is independent, the county clerk or field registrar of voters shall list the person's or elector's political party as nonpartisan.
- 3. If a person or an elector indicates an affiliation with a major political party or a minor political party that has filed a certificate of existence with the Secretary of State, the county clerk or field registrar of voters shall list the person's or elector's political party as indicated by the person or elector.
- 4. If a person or an elector indicates an affiliation with a minor political party that has not filed a certificate of existence with the Secretary of State, the county clerk or field registrar of voters shall:
- (a) List the person's or elector's political party as the party indicated in the application to preregister or register to vote, as applicable.
- (b) When compiling data related to preregistration and voter registration for the county, report the person's or elector's political party as "other party."
- 5. If a person or an elector does not make any of the indications described in subsection 1, the county clerk or field registrar of voters shall:
  - (a) List the person's or elector's political party as nonpartisan; and
- (b) Mail to the person or elector a notice setting forth that the person has been preregistered or the elector has been registered to vote, as applicable, as a nonpartisan because he or she did not make any of the indications described in subsection 1.
  - **Sec. 15.** NRS 293.524 is hereby amended to read as follows:
- 293.524 1. [The] Except as otherwise provided in this section, the Department of Motor Vehicles shall provide [an] a paper application to preregister or register to vote to each person who [applies]:
- (a) Applies for the issuance or renewal of any type of driver's license or identification card issued by the Department [...]; and
  - (b) Does not apply to register to vote pursuant to section 4 of this act.
- 2. The county clerk shall use the *paper* applications to preregister or register to vote which are signed and completed pursuant to subsection 1 to preregister or register applicants to vote or to correct information in a person's previous application to preregister or the registrar of

voters' register. [An] A paper application that is not signed must not be used to preregister or register or correct the preregistration or registration of the applicant.

- 3. For the purposes of this section, each employee specifically authorized to do so by the Director of the Department may oversee the completion of [an] a paper application. The authorized employee shall check the paper application for completeness and verify the information required by the paper application. Each paper application must include a duplicate copy or receipt to be retained by the applicant upon completion of the form. The Department shall, except as otherwise provided in this subsection, forward each paper application on a weekly basis to the county clerk or, if applicable, to the registrar of voters of the county in which the applicant resides. The paper applications must be forwarded daily during the 2 weeks immediately preceding the last day to register to vote by mail pursuant to NRS 293.560 or 293C.527, as applicable.
- 4. The Department is not required to provide a paper application to register to vote pursuant to subsection 1 to a person who declines to apply to register to vote pursuant to this section and submits to the Department a written form that meets the requirements of 52 U.S.C. § 20506(a)(6). Information related to the declination to apply to register to vote must not be used for any purpose other than voter registration.
  - 5. The county clerk shall accept any *paper* application to:
  - (a) Preregister to vote at any time.
- (b) Register to vote which is obtained from the Department of Motor Vehicles pursuant to this section and completed by the last day to register to vote by mail pursuant to NRS 293.560 or 293C.527, as applicable, if the county clerk receives the *paper* application not later than 5 days after that date.
- [5.] 6. Upon receipt of [an] a paper application, the county clerk or field registrar of voters shall determine whether the paper application is complete. If the county clerk or field registrar of voters determines that the paper application is complete, he or she shall notify the applicant and the applicant shall be deemed to be preregistered or registered as of the date of the submission of the paper application. If the county clerk or field registrar of voters determines that the paper application is not complete, he or she shall notify the applicant of the additional information required. The applicant shall be deemed to be preregistered or registered as of the date of the initial submission of the paper application if the additional information is provided within 15 days after the notice for the additional information is mailed. If the applicant has not provided the additional information within 15 days after the notice for the additional information is mailed, the incomplete paper application is void. Any notification required by this subsection must be given by mail at the mailing address on the paper application not more than 7 working days after the determination is made concerning whether the paper application is complete.
- [6.] 7. The county clerk shall use any form submitted to the Department to correct information on a driver's license or identification card to correct information on a previous application to preregister or in the registrar of voters' register, unless the person indicates on the form that the correction is not to be used for the purposes of preregistration or voter registration. The Department shall forward each such form to the county clerk or, if applicable, to the registrar of voters of the county in which the person resides in the same manner provided by subsection 3 for *paper* applications to preregister or register to vote.
- [7.] 8. Upon receipt of a form to correct information, the county clerk shall compare the information to that contained in the application to preregister to vote or the registrar of voters' register, as applicable. The county clerk shall correct the information to reflect any changes

indicated on the form. After making any changes, the county clerk shall notify the person by mail that the records have been corrected.

- [8.] 9. The Secretary of State shall, with the approval of the Director, adopt regulations to:
- (a) Establish any procedure necessary to provide a person who applies to preregister to vote or an elector who applies to register to vote pursuant to this section the opportunity to do so;
- (b) Prescribe the contents of any forms or *paper* applications which the Department is required to distribute pursuant to this section; and
- (c) Provide for the transfer of the completed *paper* applications of preregistration or registration from the Department to the appropriate county clerk.
  - **Sec. 16.** NRS 293.530 is hereby amended to read as follows:
  - 293.530 1. Except as otherwise provided in NRS 293.541:
- (a) County clerks may use any reliable and reasonable means available to correct the portions of the statewide voter registration list which are relevant to the county clerks and to determine whether a registered voter's current residence is other than that indicated on the voter's application to register to vote.
- (b) A county clerk may, with the consent of the board of county commissioners, make investigations of registration in the county by census, by house-to-house canvass or by any other method.
  - (c) A county clerk shall cancel the registration of a voter pursuant to this subsection if:
- (1) The county clerk mails a written notice to the voter which the United States Postal Service is required to forward;
- (2) The county clerk mails a return postcard with the notice which has a place for the voter to write his or her new address, is addressed to the county clerk and has postage guaranteed;
  - (3) The voter does not respond; and
- (4) The voter does not appear to vote in an election before the polls have closed in the second general election following the date of the notice.
- (d) For the purposes of this subsection, the date of the notice is deemed to be 3 days after it is mailed.
  - (e) The county clerk shall maintain records of:
    - (1) Any notice mailed pursuant to paragraph (c);
    - (2) Any response to such notice; and
    - (3) Whether a person to whom a notice is mailed appears to vote in an election,
- → for not less than 2 years after creation.
- (f) The county clerk shall use any postcards which are returned to correct the portions of the statewide voter registration list which are relevant to the county clerk.
- (g) If a voter fails to return the postcard mailed pursuant to paragraph (c) within 30 days, the county clerk shall designate the voter as inactive on the voter's application to register to vote.
- (h) The Secretary of State shall adopt regulations to prescribe the method for maintaining a list of voters who have been designated as inactive pursuant to paragraph (g).
  - (i) If:
- (1) The name of a voter is added to the statewide voter registration list pursuant to section 6 of this act; or
- (2) The voter registration information of a voter whose name is on the statewide voter registration list is updated pursuant to section 6 of this act,

→ the county clerk shall provide written notice of the addition or change to the voter not later than 5 working days after the addition or change is made. Except as otherwise provided in this paragraph, the notice must be mailed to the current residence of the voter. The county clerk may send the notice by electronic mail if the voter confirms the validity of the electronic mail address to which the notice will be sent by responding to a confirmation inquiry sent to that electronic mail address. Such a confirmation inquiry must be sent for each notice sent pursuant to this paragraph.

2. A county clerk is not required to take any action pursuant to this section in relation to a person who preregisters to vote until the person is deemed to be registered to vote pursuant to NRS 293.4855.

**Sec. 17.** NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644.446, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, and section 7 of this act, sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

- 2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.
- 3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.
- 4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:
- (a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.
- (b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.
  - **Sec. 18.** NRS 483.290 is hereby amended to read as follows:
  - 483.290 1. An application for an instruction permit or for a driver's license must:
  - (a) Be made upon a form furnished by the Department.

- (b) Be verified by the applicant before a person authorized to administer oaths. Officers and employees of the Department may administer those oaths without charge.
  - (c) Be accompanied by the required fee.
- (d) State the full legal name, date of birth, sex, address of principal residence and mailing address, if different from the address of principal residence, of the applicant and briefly describe the applicant.
- (e) State whether the applicant has theretofore been licensed as a driver, and, if so, when and by what state or country, and whether any such license has ever been suspended or revoked, or whether an application has ever been refused, and, if so, the date of and reason for the suspension, revocation or refusal.
- (f) Include such other information as the Department may require to determine the competency and eligibility of the applicant.
  - 2. Every applicant must furnish proof of his or her full legal name and age by displaying:
  - (a) An original or certified copy of the required documents as prescribed by regulation; or
- (b) A photo identification card issued by the Department of Corrections pursuant to NRS 209.511.
- 3. The Department shall adopt regulations prescribing the documents an applicant may use to furnish proof of his or her full legal name and age to the Department pursuant to paragraph (a) of subsection 2, including, without limitation, a document issued by the Department pursuant to NRS 483.375 or 483.8605.
- 4. At the time of applying for a driver's license, an applicant may, if eligible, preregister or register to vote pursuant to NRS 293.524 [-] or section 4 of this act.
- 5. Every applicant who has been assigned a social security number must furnish proof of his or her social security number by displaying:
- (a) An original card issued to the applicant by the Social Security Administration bearing the social security number of the applicant; or
- (b) Other proof acceptable to the Department, including, without limitation, records of employment or federal income tax returns.
- 6. The Department may refuse to accept a driver's license issued by another state, the District of Columbia or any territory of the United States if the Department determines that the other state, the District of Columbia or the territory of the United States has less stringent standards than the State of Nevada for the issuance of a driver's license.
- 7. With respect to any document presented by a person who was born outside of the United States to prove his or her full legal name and age, the Department:
- (a) May, if the document has expired, refuse to accept the document or refuse to issue a driver's license to the person presenting the document, or both; and
- (b) Shall issue to the person presenting the document a driver's license that is valid only during the time the applicant is authorized to stay in the United States, or if there is no definite end to the time the applicant is authorized to stay, the driver's license is valid for 1 year beginning on the date of issuance.
- 8. The Administrator shall adopt regulations setting forth criteria pursuant to which the Department will issue or refuse to issue a driver's license in accordance with this section to a person who is a citizen of any state, the District of Columbia, any territory of the United States or a foreign country. The criteria pursuant to which the Department shall issue or refuse to issue a driver's license to a citizen of a foreign country must be based upon the purpose for which that person is present within the United States.

- 9. Notwithstanding any other provision of this section, the Department shall not accept a consular identification card as proof of the age or identity of an applicant for an instruction permit or for a driver's license. As used in this subsection, "consular identification card" has the meaning ascribed to it in NRS 232.006.
  - **Sec. 19.** NRS 483.850 is hereby amended to read as follows:
- 483.850 1. Every application for an identification card must be made upon a form provided by the Department and include, without limitation:
  - (a) The applicant's:
    - (1) Full legal name.
    - (2) Date of birth.
    - (3) State of legal residence.
- (4) Current address of principal residence and mailing address, if different from his or her address of principal residence, in this State, unless the applicant is on active duty in the military service of the United States.
  - (b) A statement from:
- (1) A resident stating that he or she does not hold a valid driver's license or identification card from any state or jurisdiction; or
- (2) A seasonal resident stating that he or she does not hold a valid Nevada driver's license.
- 2. When the form is completed, the applicant must sign the form and verify the contents before a person authorized to administer oaths.
- 3. An applicant who has been issued a social security number must provide to the Department for inspection:
- (a) An original card issued to the applicant by the Social Security Administration bearing the social security number of the applicant; or
- (b) Other proof acceptable to the Department bearing the social security number of the applicant, including, without limitation, records of employment or federal income tax returns.
- 4. At the time of applying for an identification card, an applicant may, if eligible, preregister or register to vote pursuant to NRS 293.524 [...] or section 4 of this act.
- 5. A person who possesses a driver's license or identification card issued by another state or jurisdiction who wishes to apply for an identification card pursuant to this section shall surrender to the Department the driver's license or identification card issued by the other state or jurisdiction at the time the person applies for an identification card pursuant to this section.
- **Sec. 20.** The provisions of NRS 354.599 do not apply to any additional expenses of a local government that are related to the provisions of this act.
  - **Sec. 21.** This act becomes effective:
- 1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and
  - 2. On January 1, 2018, for all other purposes.

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## **STATE QUESTION NO. 6**

#### Amendment to the Nevada Constitution

## **CONDENSATION (Ballot Question)**

Shall Article 4 of the *Nevada Constitution* be amended to require, beginning in calendar year 2022, that all providers of electric utility services who sell electricity to retail customers for consumption in Nevada generate or acquire incrementally larger percentages of electricity from renewable energy resources so that by calendar year 2030 not less than 50 percent of the total amount of electricity sold by each provider to its retail customers in Nevada comes from renewable energy resources?

Yes □ No □

#### **EXPLANATION & DIGEST**

**EXPLANATION**—This ballot measure proposes to amend Article 4 of the *Nevada Constitution* to require all providers of electric utility services that sell electricity to retail customers for consumption in Nevada to meet a Renewable Portfolio Standard (RPS) that would go into effect beginning in calendar year 2022 and increase gradually until the RPS reaches 50 percent in calendar year 2030. According to the Public Utilities Commission of Nevada, an RPS establishes the percentage of electricity sold by an electric utility to retail customers that must come from renewable sources.

The measure requires the Nevada Legislature to provide by law for provisions, consistent with the language of the ballot measure, to implement the requirements of the constitutional amendment. These requirements include a mandate that each provider of electric utility service that sells electricity to retail customers for consumption in Nevada must generate or acquire electricity from renewable energy resources in an amount that is:

- For calendar years 2022 and 2023, not less than 26 percent of the total amount of electricity sold by the provider to retail customers in Nevada during that calendar year;
- For calendar years 2024 through 2026, inclusive, not less than 34 percent of the total amount of electricity sold by the provider to retail customers in Nevada during that calendar year;
- For calendar years 2027 through 2029, inclusive, not less than 42 percent of the total amount
  of electricity sold by the provider to retail customers in Nevada during that calendar year;
  and
- For calendar year 2030 and each calendar year thereafter, not less than 50 percent of the total amount of electricity sold by the provider to retail customers in Nevada during that calendar year.

The Nevada Legislature would have until July 1, 2021 to pass any law required to carry out the provisions of the constitutional amendment. Renewable energy resources is not specifically defined in the ballot measure; however, the language of the ballot measure indicates that renewable energy resources include solar, geothermal, wind, biomass, and waterpower.

The measure also contains a statement of policy that declares it is the policy of Nevada that people and entities that sell electricity to retail customers in Nevada be required to obtain an increasing amount of their electricity from renewable energy resources such as solar, geothermal, and wind. The statement of policy also declares that increasing renewable energy will reduce Nevada's reliance on fossil fuel-fired power plants, which will benefit Nevadans by improving air quality and public health, reducing water use, reducing exposure to volatile fossil fuel prices and supply disruptions, and providing a more diverse portfolio of resources for generating electricity.

A "Yes" vote would amend Article 4 of the *Nevada Constitution* to require all providers of electric utility services that sell electricity to retail customers for consumption in Nevada to generate or acquire an increasing percentage of electricity from renewable energy resources so that by calendar year 2030 not less than 50 percent of the total amount of electricity sold by each provider to its retail customers in Nevada comes from renewable energy resources.

A "No" vote would retain the provisions of Article 4 of the *Nevada Constitution* in their current form. These provisions do not require all providers of electric utility services that sell electricity to retail customers for consumption in Nevada to generate or acquire an increasing percentage of electricity from renewable energy resources.

**DIGEST**—Nevada's current Renewable Portfolio Standard (RPS) law is found in Chapter 704 of the *Nevada Revised Statutes* (NRS). Under current law, each provider of electric service in Nevada must generate, acquire, or save electricity from a renewable energy system or efficiency measures in an amount that is not less than 20 percent of the total amount of electricity the provider sells to retail customers in Nevada during the calendar year. Pursuant to current law, the RPS will increase to 22 percent for calendar years 2020 through 2024, inclusive, and finally it will increase to 25 percent for calendar year 2025 and each calendar year thereafter.

Approval of this ballot question would not change Nevada's current RPS law found in Chapter 704 of NRS. Instead, approval of this ballot question would add a provision to the *Nevada Constitution* that requires the Nevada Legislature, not later than July 1, 2021, to provide by law for provisions to implement the requirements of the constitutional amendment described in the Explanation in the previous section.

#### ARGUMENTS FOR PASSAGE

## The Renewable Energy Promotion Initiative

Question 6 would require electricity providers to get at least 50 percent of Nevada's electricity from renewable sources like solar, wind, and geothermal by the year 2030. Nevada is one of America's sunniest states<sup>1</sup>, yet we get only 20 percent<sup>2</sup> of our power from clean, renewable sources like solar. Instead, we spend \$700 million a year to import dirty fossil fuels from other states.<sup>3</sup> Question 6 would change that.

A 'YES' vote on Question 6 would *provide a guarantee* that electricity suppliers get more electricity from renewable sources like solar. While Question 3 is a complicated debate about which utility companies will provide our electricity, Question 6 is simple. It is the only measure on the ballot that would guarantee we get more of our energy from renewable sources like solar and wind.

A 'YES' vote on Question 6 would ensure cleaner air and healthier families. By replacing dirty fossil fuels with clean energy, Question 6 would reduce emissions of toxic pollutants like sulfur dioxide that make our air less safe to breathe. Scientists have found that improved air quality will reduce asthma attacks and other respiratory illnesses<sup>4</sup>, and these health benefits will result in fewer hospital visits and school absences, saving Nevadans \$20 million per year.<sup>5</sup>

A 'YES' vote on Question 6 would *boost our economy*. Instead of sending \$700 million a year to other states for fossil fuels, Question 6 would lead to \$6.2 billion dollars of investment in Nevada and create 10 thousand new jobs.<sup>6</sup>

A 'YES' vote on Question 6 would *save Nevadans money*. The cost of clean energy is already cheaper than dirty energy sources: electricity from a new large-scale solar power plant in Nevada is 45 to 70 percent cheaper than electricity from a new power plant fueled with out-of-state gas.<sup>7,8</sup> The cost of energy storage is declining fast<sup>9</sup>, making solar an even more attractive option.

Question 6 would leave a healthier, economically vibrant Nevada for future generations. We urge you to vote 'YES' on Question 6.

The above argument was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Dylan Sullivan, Warren Hardy, and Bob Johnston. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any negative fiscal impact. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

<sup>&</sup>lt;sup>1</sup>http://wonder.cdc.gov/NASA-INSOLAR.html

<sup>&</sup>lt;sup>2</sup> https://www.eia.gov/electricity/monthly/archive/february2018.pdf

<sup>&</sup>lt;sup>3</sup> https://www.eia.gov/state/data.php?sid=NV#ConsumptionExpenditures

<sup>4</sup> https://www.ucsusa.org/clean-energy/renewable-energy/public-benefits-of-renewable-power#bf-toc-1

<sup>&</sup>lt;sup>5</sup> https://www.nrdc.org/experts/dylan-sullivan/50-renewables-nv-will-boost-investment-cut-pollution

#### REBUTTAL TO ARGUMENTS FOR PASSAGE

The proponent's argument established why we *don't* need these energy ballot measures: their citation<sup>1</sup> demonstrates that energy mandates are reckless.

Funny fact: California pays Nevada to accept excess solar energy from *their* grid glut.<sup>2</sup> Do we want to become California, paying exorbitant energy bills caused by poor policy?<sup>3</sup>

Nevada applies steadiness to guide our industrious State towards renewable self-sufficiency. Representatives you vote for dutifully implement appropriate guidelines to adapt safe, reliable, affordable energy. Progress continues to advance within the renewable industry besieged with infancy. Allowing outsiders to handcuff Nevada is misguided.

Sad fact: California wild fires create vast amounts of Nevada's poor air quality. <sup>4</sup> California should manage its forests instead of telling Nevadans what to do.

Don't fall prey to an impatient out-of-state billionaire with previous questionable motives.<sup>5,6</sup> Say no to this outsider pouring millions of dollars<sup>7</sup> into a PAC he personally started<sup>8</sup> to rewrite<sup>9</sup> our State Constitution.

Nevada's at the forefront of providing renewable energy $^{10}$  while charging rates far below national average. $^{11}$  Vote 'NO' against schemes to remove money from hard-working Nevadans. Local prosperity demands prudence on *our* part.

Home means Nevada! Let Nevadans decide, not some San Francisco billionaire. Vote 'NO' on Ballot Question 6.

The above rebuttal was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee members: Don Gustavson (Chair) and Jerry Stacy. This rebuttal, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

<sup>6</sup> Id.

<sup>&</sup>lt;sup>7</sup> https://www.lazard.com/perspective/levelized-cost-of-energy-2017/

https://www.utilitydive.com/news/nv-energy-23-cent-solar-contract-could-set-new-price-record/525610/

<sup>&</sup>lt;sup>9</sup> https://about.bnef.com/blog/tumbling-costs-wind-solar-batteries-squeezing-fossil-fuels/

<sup>&</sup>lt;sup>1</sup> https://www.utilitydive.com/news/nv-energy-23-cent-solar-contract-could-set-new-price-record/525610/

 $<sup>^2\,\</sup>underline{\text{https://www.mnn.com/earth-matters/energy/blogs/california-generating-so-much-solar-energy-its-paying-other-states-take-it}$ 

<sup>&</sup>lt;sup>3</sup> https://www.cnbc.com/2017/02/06/californias-electricity-glut-residents-pay-more-than-national-average.html

<sup>&</sup>lt;sup>4</sup> https://knpr.org/headline/2018-08/california-wildfires-cause-poor-air-quality-nevada

<sup>&</sup>lt;sup>5</sup> http://www.foxnews.com/politics/2013/06/27/critics-accuse-keystone-foe-hypocrisy-over-oil-investment-history.html

<sup>6</sup> https://www.washingtontimes.com/news/2014/mar/27/lee-terry-billionaire-poised-profit-block-keystone/

lookup/results?name=Thomas+Steyer&cycle=&state=&zip=&employ=&cand=NextGen+Climate+Action

#### ARGUMENTS AGAINST PASSAGE

A constitutional mandate dictating energy policy is unnecessary and risky. Nevada's current Renewable Portfolio Standard is already set to increase to 25 percent by 2025.<sup>1</sup> This steady approach was carefully studied and executed by Nevada lawmakers and approved by the governor<sup>2</sup> to invest in Nevada's future to become the world's leader in renewable energy while at the same time protecting Nevadans against out-of-control rate hikes.

Passage of Question 6 would pour concrete language into the Nevada Constitution and recklessly pave a path putting ratepayers at risk by erasing Nevada's legislative ability to judiciously apply its own adjustments to our current Renewable Portfolio Standard.

Governor Sandoval expressed it best regarding a similar failed measure that proposed to confine the types of energy consumption Nevadans should be forced to rely on, when he wrote, "If these aggressive new energy policies are enacted, it is the ratepayer who bears the risk of increased rates." 3

Green technology continues to evolve, and cost-effectiveness for storage and delivery continues to improve. Meanwhile, renewable energy is still dealing with birth pains. The representatives you vote for are better positioned to protect you when they're allowed to induct renewable energy policies based on merits, rather than mandates that serve to punish consumers and impose flawed policies.

The Nevada Legislature adopted its first Renewable Portfolio Standard in 1997.<sup>4</sup> Higher standards were legislatively adjusted as technology improved.<sup>5</sup> Prudence and patience are exercised to encourage innovation while protecting ratepayers. To do otherwise is to asphyxiate innovation and jeopardize the affordable supply of reliable energy Nevadans are currently allowed to purchase.

An energy crisis does not exist in Nevada. Ratepayers currently enjoy safe reliable delivery of energy at rates that are far below the national average. Do not confine choice by allowing the attachment of restrictive mandates into our Constitution. If renewable energy was already at a stage of superiority capable of competing on price, it wouldn't demand a constitutional mandate.

<sup>&</sup>lt;sup>7</sup> https://www.opensecrets.org/donor-

<sup>&</sup>lt;sup>8</sup> <a href="https://www.crunchbase.com/organization/nextgen-climate">https://www.crunchbase.com/organization/nextgen-climate</a>

<sup>9</sup>https://www.nvsos.gov/SOSCandidateServices/AnonymousAccess/ViewCCEReport.aspx?syn=UGxq7tc4feLYMWu 1%252bW5FNw%253d%253d

<sup>&</sup>lt;sup>10</sup> https://www.nvenergy.com/about-nvenergy/news/news-releases/nv-energy-exceeds-nevadas-renewable-requirement-for-eighth-straight-year

<sup>&</sup>lt;sup>11</sup> https://www.eia.gov/electricity/monthly/epm table grapher.php?t=epmt 5 6 a

Nevada is better served by a legislative process that safely adjusts the proportional quantities of Nevada's power usage as technological developments continue to advance. Question 6 proposes to rip away our safety net by mandating rigid timeframes that removes the ability to consider ratepayer protections and impending technological improvements.

Mandates are unbending and unforgiving. The passage of Question 6 threatens to repress future innovation and wound our efficiency. Defend Nevada consumers by voting no on Ballot Question 6.

The above argument was submitted by the Ballot Question Committee composed of citizens opposed to this question as provided for in NRS 293.252. Committee members: Don Gustavson (Chair) and Jerry Stacy. This argument, with active hyperlinks, can also be found at <a href="https://www.nvsos.gov">www.nvsos.gov</a>.

#### **REBUTTAL TO ARGUMENTS AGAINST PASSAGE**

Nevada was a national leader when we established our renewable energy standard in 1997, but even with 300 days of sun, we are still getting just 20% of our electricity from renewable energy<sup>1</sup> — and now we're falling behind.

Thirteen states, including Colorado and Oregon, have renewable standards stronger than Nevada's, and five have recently passed standards the same or higher than the one proposed here.<sup>2</sup> These states are seeing solar and wind energy expand quickly, driving innovation, boosting their economies, and providing electricity at much cheaper prices than anyone had imagined just a few years ago.

In fact, since lawmakers last raised Nevada's standard in 2009<sup>3</sup>, the cost of solar has fallen 86%<sup>4</sup>, and it's only getting cheaper. Economists say that wind and solar will be soon be significantly less expensive than fossil fuels<sup>5</sup> — after all, the wind and sun are free.

Nevada voters need to act, because we can't rely on big energy companies alone to take action. Question 6 is the only measure on the ballot that will guarantee electric utilities keep their promise to move us to renewable energy, while maintaining flexibility so future legislatures can raise standards as technology improves.

Vote 'YES' on Question 6.

<sup>&</sup>lt;sup>1</sup>http://puc.nv.gov/Renewable Energy/Portfolio Standard/

<sup>&</sup>lt;sup>2</sup> https://www.leg.state.nv.us/Session/75th2009/Reports/history.cfm?ID=768

https://www.leg.state.nv.us/Session/79th2017/Reports/VetoMessages/AB206 79th VetoMessage.pdf

<sup>&</sup>lt;sup>4</sup> https://www.leg.state.nv.us/NRS/NRS-704.html#NRS704Sec7801

<sup>&</sup>lt;sup>5</sup> https://www.leg.state.nv.us/Session/75th2009/Bills/AB/AB387 EN.pdf

<sup>&</sup>lt;sup>6</sup> https://www.eia.gov/electricity/monthly/epm table grapher.php?t=epmt 5 6 a

The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of this question as provided for in NRS 293.252. Committee members: Dylan Sullivan, Warren Hardy, and Bob Johnston. Pursuant to NRS 293.252(5)(f), the Committee does not believe the measure will have any negative fiscal impact. This rebuttal, with active hyperlinks, can also be found at www.nvsos.gov.

#### **FISCAL NOTE**

## FINANCIAL IMPACT – CANNOT BE DETERMINED

#### **OVERVIEW**

Question 6 proposes to amend Article 4 of the *Nevada Constitution* by adding a new section that would create a minimum standard for the amount of electricity generated or acquired from renewable resources by each provider of electric utility service that is engaged in the business of selling electricity to retail customers in Nevada. The minimum standard would begin at 26 percent of all electricity sold at retail in Nevada in 2022 and would increase incrementally in successive calendar years until the standard reaches 50 percent of all electricity sold at retail in Nevada in 2030. The Legislature would be required to pass legislation to implement these requirements no later than July 1, 2021.

## FINANCIAL IMPACT OF QUESTION 6

Pursuant to Article 19, Section 4 of the *Nevada Constitution*, a ballot question proposing to amend the *Nevada Constitution* must be approved by the voters at two successive general elections in order to become a part of the *Constitution*. If Question 6 is approved by voters at the November 2018 and November 2020 General Elections, the provisions of the question would become effective on the fourth Thursday of November 2020 (November 26, 2020), when the votes are canvassed by the Supreme Court pursuant to NRS 293.395.

The Fiscal Analysis Division cannot determine how the constitutional provisions of Question 6 will be implemented by the Legislature or which state agencies will be tasked with implementing and administering any laws relating to increasing electricity from renewable energy sources. Thus, the Fiscal Analysis Division cannot determine the impact upon state government with any reasonable degree of certainty.

Additionally, the passage of Question 6 may have an effect upon the cost of electricity sold in Nevada, including the electricity that is purchased and consumed by state and local government entities. The Fiscal Analysis Division is unable to predict the effect that these provisions may have

<sup>&</sup>lt;sup>1</sup>https://www.eia.gov/electricity/state/nevada/

http://eta-publications.lbl.gov/sites/default/files/2017-annual-rps-summary-report.pdf

<sup>&</sup>lt;sup>3</sup> https://www.leg.state.nv.us/Statutes/75th2009/Stats200914.html#Stats200914page1399

<sup>&</sup>lt;sup>4</sup> https://www.lazard.com/media/450337/lazard-levelized-cost-of-energy-version-110.pdf

 $<sup>^{5} \, \</sup>underline{\text{https://www.usatoday.com/story/money/energy/2018/04/04/energy-costs-renewables-close-fossil-fuels-challenging-price/485210002/}$ 

on the cost of electricity in Nevada beginning in calendar year 2022 or the amount of electricity that may be consumed by these government entities beginning in that calendar year; thus, the financial effect upon state and local governments with respect to potential changes in electricity costs cannot be determined with any reasonable degree of certainty.

Prepared by the Fiscal Analysis Division of the Legislative Counsel Bureau – August 7, 2018

## **FULL TEXT OF THE MEASURE**

## THE RENEWABLE ENERGY PROMOTION INITIATIVE

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

#### THE PEOPLE OF THE STATE OF NEVADA DO ENACT AS FOLLOWS:

**Section 1:** Article 4 of the Nevada Constitution is hereby amended by adding thereto a new section to read as follows:

1. Statement of Policy

The People of the State of Nevada declare that it is the policy of this State that people and entities that sell electricity to retail customers in this State be required to get an increasing amount of their electricity from renewable energy resources such as solar, geothermal, and wind. Increasing renewable energy will reduce the State's reliance on fossil fuel-fired power plants, which will benefit Nevadans by improving air quality and public health, reducing water use, reducing exposure to volatile fossil fuel prices and supply disruptions, and providing a more diverse portfolio of resources for generating electricity. This Act shall be liberally construed to achieve this purpose.

- 2. Implementation
- (a) Each provider of electric utility service that is engaged in the business of selling electricity to retail customers for consumption in this State shall generate or acquire electricity from renewable energy resources, including solar, geothermal, wind, biomass, and waterpower, in an amount that is:
- (i) For calendar years 2022 and 2023, not less than 26 percent of the total amount of electricity sold by the provider to its retail customers in this State during that calendar year.
- (ii) For calendar years 2024 through 2026, inclusive, not less than 34 percent of the total amount of electricity sold by the provider to its retail customers in this State during that calendar year.
- (iii) For calendar years 2027 through 2029, inclusive, not less than 42 percent of the total amount of electricity sold by the provider to its retail customers in this State during that calendar year.
- (iv) For calendar year 2030 and each calendar year thereafter, not less than 50 percent of the total amount of electricity sold by the provider to its retail customers in this State during that calendar year.
- (b) Not later than July 1, 2021, the Legislature shall provide, by law, for provisions consistent with this Act to implement the requirements specified in subparagraph (a).
  - 3. Severability

Should any part of this Act be declared invalid, or the application thereof to any person, thing or circumstance is held invalid, such invalidity shall not affect the remaining provisions or application of this Act which can be given effect without the invalid provision or application,

and to this end the provisions of this Act are declared to be severable. This subsection shall be construed broadly to preserve and effectuate the declared purpose of this Act.

## WASHOE COUNTY BALLOT QUESTION WC – 1

Shall Washoe County be authorized to levy an additional property tax rate for the purpose of paying for the cost of designing, acquiring, constructing, improving and equipping a flood protection project by the Truckee River Flood Management Authority for the Truckee River in the amount of \$0.0248 per \$100 of assess valuation and for the Truckee River Flood Management Authority to issue up to \$89,000,000 of general obligation bonds for those purposes? The bonds are expected to require a property tax levy of 30 years for each series of bonds from the dates of issuance. The tax will terminate when these bonds have been retired in approximately 30 years from the dates they are issued. The cost of the \$0.0248 property tax levy for the owner of a new \$100,000 home is estimated to average \$8.68 per year. If this question is approved by the voters, any property tax as authorized by this question will be outside of the caps on the taxpayer's liability for property (ad valorem) taxes established by the legislature in the 2005 session and exempt from partial abatement from taxation as provided by NRS 361.4722, 361.4723 and 361.4724.

Yes □ No □

#### **EXPLANATION**

A "yes" vote will increase property taxes in Washoe County by \$0.0248 per \$100 of assessed valuation. This property tax increase will allow the Truckee River Flood Management Authority (TRFMA) to pay for the cost of acquiring, constructing, improving and equipping the Truckee River Flood Protection Project that will protect properties that are prone to flooding along portions of the Truckee River, Steamboat Creek from its confluence with the Truckee River to two miles southwest of Boynton Slough, and the North Truckee Drain from its confluence with the Truckee River to approximately 1,000 feet upstream of Interstate 80. The need for this project is illustrated by the 1997 flood that caused damage in excess of \$1.0 billion which is the equivalent of annual damages estimated to range from \$22 to \$52 million. The tax increase will also help in potentially securing \$182 million in federal funding for the construction of the flood protection project by ensuring that TRFMA will be able to meet required financial commitments to the United States Army Corps of Engineers. It is anticipated that the Truckee River Flood Management Authority will issue up to \$89 million of general obligation bonds on the proceeds of the property tax increase as well as use the proceeds for cash expenditures to build the Truckee River Flood Protection Project. Revenue from the proposed property tax increase will not be used for the operation or the maintenance of the flood control project. The specific anticipated uses of the funds are:

- Final engineering, design, and permitting of the Flood Protection Project
- Construction of levees and floodwalls along the Truckee River
- Widening of the Truckee River Channel at the Vista Narrows
- Terracing and environmental restoration along the Truckee River
- The elevation of homes within the home elevation project boundaries
- Downstream mitigation project planning, design and construction

A "**no**" vote means the flood protection project in its current configuration would likely not be built, and if any portion is built at all, could only be built over a very long timeframe that would leave the properties along the Truckee River unprotected for decades. In addition, \$182 million in federal funding to assist in the construction of the project would likely be lost.

#### Description of Anticipated Financial Effect:

The tax will terminate when all bonds issued have been retired in approximately 30 years from the dates they are issued. The Bonds are expected to be issued over 30 years and each bond issued is expected to have a term of 30 years. The cost of the property tax levy for the owner of a new \$100,000 home is estimated to average \$8.68 per year.

#### WC 1 - ARGUMENT FOR PASSAGE

In 1997, the Truckee River flooded Reno and Sparks and caused over a billion dollars in damage in today's dollars. The Truckee River will flood again!

Over the past 21 years since, there have been lesser floods threatening property, disrupting businesses, blocking transportation corridors, and tying up emergency services. These events don't just affect the flood zone but impact all the Truckee Meadows and greater Washoe County.

The cost of flood protection for the Truckee was once tagged at \$1.6 billion. We worked hard reaching a consensus of Public Safety, residents and governments narrowing this project down to what is necessary. Along with \$180 million from the Federal Government, the additional local share is down to \$184 million in today's dollars. In addition, if WC1 passes, properties directly affected will be paying an additional fee to help cover costs.

A YES VOTE on WC-1 leads to flood protection and high-quality jobs and this tax sunsets when bonds are paid.

A YES VOTE on WC-1 will complete this project in a timely manner and takes advantage of federal matching dollars. Without it, we will likely lose this federal match.

While according to State and Federal Law this revenue and federal match money can ONLY be spent for Truckee River Flooding, this is an important project. A YES VOTE on WC-1 does NOT stop us from working on other Washoe County flooding problems.

(The above argument was submitted by the Ballot Question Committee composed of citizens in favor of passage of this question as provided for in NRS 295.121.)

#### WC 1 – REBUTTAL TO ARGUMENT FOR PASSAGE

The December 2017 TRFMA Plan budget listed \$422,087,780 worth of projects. \$133,173,208 is for Reno projects, including replacing Lake, Center and Sierra Street bridges. None of that work is eligible for Federal Matching funds, indicating the USACE deems the work is not flood control.

They already tax us a 1/8th cent sales tax and have funded projects such as the Virginia Street Bridge and North Truckee Drain. TRFMA may impose a flood fee on properties that would benefit by flood projects, but has not done so. Let those in the floodplain contribute their own improvements.

The Legislature authorized TRFMA to consider room taxes, vehicle privilege taxes, property transfer taxes or property taxes. Since Washoe property taxes are maxed out at the \$3.64 limit, this flood tax would be the first, maybe not the last, to exceed that limit. There are 5 other funding sources available. Only one is being proposed.

(The above rebuttal was submitted by the Ballot Question Committee composed of citizens against passage of this question as provided for in NRS 295.121.)

#### WC 1 – ARGUMENT AGAINST PASSAGE

So many reasons to say no to the increase in flood taxes. We already pay extra sales taxes for flood control and increasing property tax to the general fund that may be used for floods.

This proposed tax is not subject to the \$3.64 limit set by NRS 361.453. Article 10, Section 2 of our Nevada Constitution limits the total tax levy to 5% of assessed value. If this succeeds, taxpayers can expect many more ballot proposals until the 5% cap is reached.

Let those in the flood plain pay their fair share. Special interests were let off the hook. Not a cent for flooded North Valleys or elsewhere, only the Truckee River area and yet we all would pay for it!

Potential Federal contribution of \$162,000,000, has not yet been approved by Congress. The tax includes reimbursements for past projects already completed. Approximately \$64M would go to replace bridges, which already have funding sources via RTC. Bought gas in Carson lately? That extra Washoe gas tax can pay for that.

Tax increases will be passed on and rents exceed fair market standards, Nevada is worst nationwide!

So many viable alternatives! The best is fixing the Vista Narrows choke point at 10% the cost! Instead of dredging, we need more reservoirs.

Washoe's sales tax is highest in Nevada. With existing taxes, RTC, grants, and flood plain fees, the projects can be done in increments. Just tell the special interests no, we're taxed enough already. 

(The above argument was submitted by the Ballot Question Committee composed of citizens against passage of this question as provided for in NRS 295.121.)

#### WC 1 - REBUTTAL TO ARGUMENT AGAINST PASSAGE

Regarding WC1, people being directly affected by flooding are not "let off the hook." In addition to paying the slight increase in property tax, property owners in the affected areas will be required to pay an additional fee.

Vista Narrows is an important part of the proposed project and one of the first tasks completed! The funding allocated for bridge projects are NOT funded by RTC in the foreseeable future but have significant impacts on flooding.

Nothing in this request stops any funding to be used for flooding in other areas.

The NO committee says build it in increments, but this would take several decades longer and in the meantime, the infrastructure near the River would be vulnerable. Also, the approved \$180 million dollars in Federal match would likely be lost and the overall effort becomes more expensive tying up money that could have been spent for other flooding problems.

(The above rebuttal was submitted by the Ballot Question Committee composed of citizens in favor of passage of this question as provided for in NRS 295.121.)

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<sup>&</sup>lt;sup>1</sup>www.TaxYourselfNotme.com

# CITY OF SPARKS ADVISORY QUESTION SP - 1

The following question is advisory ONLY.
Should the City Attorney remain an elected non-partisan office within Sparks's government?
Yes □ No □

#### **EXPLANATION**

The Sparks City Attorney is an elected, non-partisan office within the Executive Branch of Sparks's government. The City Attorney is elected to a four-year term of office and serves as legal counsel to the Sparks Mayor, City Council, and the various departments within the City of Sparks. The City Attorney represents the City of Sparks in municipal, criminal court proceedings, and in civil litigation before all Nevada and federal courts.

This question is intended to advise the Sparks City Council whether the voters of Sparks desire to retain their right to vote for the City Attorney or relinquish that right and allow the Sparks City Attorney to be appointed.

A "Yes" vote will be used as an indication of the preference of the Sparks voters to retain their right to vote for their City Attorney.

With voter disapproval of this question, the Sparks City Council will consider requesting that the Charter for the City of Sparks be amended to change the City Attorney from an elected, nonpartisan position to an appointive position.

This question is advisory in nature only and does not place any legal requirements on the governing body or any officer of the political subdivision or the Nevada Legislature. However, the wishes of the voters of Sparks shall be pursued with all due consideration by the Sparks City Council.