



2010 AUG 17 PM 4: 04

LAS VEGAS, NEVADA  
**BUILDING AN ARENA FOR A STRONGER FUTURE**

Explanation: Language in ***boldface italics*** is to be added to Nevada Revised Statutes; language between brackets [~~deleted language~~] is to be deleted.

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

**Section 1. Purpose.** The People of Nevada hereby find and declare that:

1. Increases in the population in the most densely populated areas in this State create circumstances and conditions requiring public and private cooperation for the building and operation of first-class sports and entertainment arenas capable of supporting and enticing professional sports teams, such as from the National Basketball Association or National Hockey League.
2. To promote economic development, it is appropriate and beneficial for such areas to have a large sports and entertainment arena that is capable of attracting and maintaining world-class events in this State.
3. Nevada has long been the chosen and preferred venue of many premier sports and entertainment events, including the National Finals Rodeo, boxing and other sporting and entertainment events. Other areas seek to draw those events away from this State, with larger and newer facilities, which have been built through public/private cooperative arrangements.
4. In order to continually preserve this State's status as a premier entertainment, convention and resort destination, it is the will of the People of this State to provide by statute for the creation and facilitation of public/private cooperation for the creation of first-class sports and entertainment arenas.
5. This measure provides by statute for the imposition of an additional sales and use tax within defined areas and for the manner in which the proceeds of that tax must be used in facilitating public/private cooperation for the construction, acquisition, improvement, equipment, operation and maintenance of such arenas.

**Sec. 2.** Chapter 244A of NRS is hereby amended by adding thereto the provisions set forth as sections 3 to 7, inclusive, of this measure.

**Sec. 3.** *Except as otherwise provided in this section and sections 4 to 7, inclusive, of this measure or unless the context otherwise requires, terms used or referred to in this section and in sections 4 to 7, inclusive, of this measure have the meaning ascribed to them in Chapter 374 of NRS, as from time to time amended. As used in this section and sections 4 to 7, inclusive, of this measure:*

1. *"Arena District" means that portion of a Gaming Enterprise District located within a 3-mile radius of a parcel approved for the Qualifying Arena, excluding that portion of the Gaming Enterprise District located within an incorporated city.*

2. *"County" means any county whose population is 800,000 or more.*

3. *"Department" means the Department of Taxation.*
4. *"Gaming Enterprise District" has the meaning ascribed to it in NRS 463.0158.*
5. *"Governing Body" means the Board of County Commissioners of any county whose population is 800,000 or more.*
6. *"Qualifying Arena" means an arena that will possess all of the following attributes:*
  - (a) A seating capacity of at least 18,000 with attributes suitable for use by a professional sports team from either the National Basketball Association, the National Hockey League, or both;*
  - (b) The arena must be located upon property the purchase, acquisition, or use of which is not paid for with any fees, taxes, interest or penalties collected pursuant to this measure;*
  - (c) The arena must be located within the Arena District; and*
  - (d) So as to ensure that the arena is centrally located for the benefit of the public and thus supports tourism, there must exist at least 95,000 transient lodging rooms within a 2-mile radius of the center point of the parcel upon which the arena is to be located at the time of its approval.*
7. *"State" means the State of Nevada.*
8. *"Taxing Ordinance" means the ordinance enacted pursuant to subsections 1 and 2 of section 4 of this measure.*

**Sec. 4. 1.** *As soon as practicable after the effective date of this measure, the Governing Body shall by ordinance establish an Arena District within the County and impose a sales and use tax within the Arena District to support the construction, improvement, equipment, operation and maintenance of a Qualifying Arena. The proceeds from the tax required by this section, including the interest and other income earned thereon, must be used only for the purposes provided by section 6 of this measure and as appropriated by the Governing Body pursuant to section 7 of this measure.*

**2.** *The ordinance adopted by the Governing Body must further include provisions in substance as follows:*

- (a) A provision imposing a tax at the rate of 0.9 percent on the gross receipts of any retailer from the sale of all tangible personal property sold at retail in the Arena District or stored, used or otherwise consumed in the Arena District;*
- (b) A provision establishing that the Arena's usage must not be limited or dictated to favor the existing or prior owners of the property upon which the Arena is to be built nor any entity or person otherwise involved or contributing to the Arena's design, development or construction;*
- (c) Provisions substantially identical to those contained in Chapter 374 of NRS, insofar as applicable;*
- (d) A provision that if an amendment to Chapter 374 of NRS is enacted after the effective date of the ordinance, not inconsistent with this measure, it automatically becomes part of the ordinance imposing the tax;*

*(e) A provision that the Governing Body shall contract with the Department, before the tax's imposition, to perform all the functions incident to the administration or operation of the tax in the Arena District;*

*(f) A provision that exempts from the tax the gross receipts from the sale of, and the storage, use or other consumption in the Arena District, of tangible personal property used for the performance of a written contract for the construction of an improvement to real property:*

*(i) That was entered into on or before the effective date of the tax; or*

*(ii) For which a binding bid was submitted before the effective date if the bid was afterward accepted, and pursuant to the terms of the contract or bid, the contract price or bid amount may not be adjusted to reflect the imposition of the tax; and*

*(g) A provision specifying that the tax is imposed on the first day of the first calendar quarter that begins 120 days after the effective date of the ordinance.*

*3. Any ordinance amending the Taxing Ordinance enacted pursuant to this section must include a provision in substance that the Governing Body shall amend the contract made pursuant to this section by a contract made between the Governing Body and the Department, before the effective date of the amendment to the Taxing Ordinance, unless the Governing Body determines with the written concurrence of the Department that no such amendment of the contract is necessary or desirable.*

*Sec. 5. 1. All fees, taxes, interest and penalties imposed and all amounts of tax required to be paid to the County pursuant to this measure must be paid to the Department in the form of remittances payable to the Department.*

*2. The Department shall deposit the payments with the State Treasurer for credit to the Sales and Use Tax Account in the State General Fund.*

*3. The State Controller, acting upon the collection data furnished by the Department, shall monthly:*

*(a) Transfer from the Sales and Use Tax Account to the appropriate account in the State General Fund 1.75 percent of all fees, taxes, interest and penalties collected pursuant to this measure during the preceding month as compensation to the State for the cost of collecting the tax;*

*(b) Determine for each County the amount equal to all fees, taxes, interest and penalties collected in the County pursuant to this measure during the preceding month, less the amount transferred to the State General Fund pursuant to paragraph (a); and*

*(c) Transfer the amount owed to each County to the Intergovernmental Fund and remit the money to the County Treasurer, who shall deposit such amount into a special revenue fund created for the use of the proceeds from the tax required by this measure.*

*4. Each special revenue fund created for the use of the proceeds from the tax required by this measure must be accounted for as a separate fund and not as a part of any other fund.*

*5. Interest earned on a special revenue fund created pursuant to this measure must be credited to the fund. The money in each such fund must remain in the fund and must not revert to the County Treasury at the end of any fiscal year.*

**Sec. 6. 1. Except as otherwise provided by section 5, all proceeds of the tax imposed by section 4 of this measure, including all fees, interest and penalties, must be used only to aid in the funding of the costs to construct, improve, equip, operate and maintain a Qualifying Arena, including to pay the principal of, interest on or other payments due with respect to bonds issued to pay those costs, including bonds issued to refund bonds issued to pay those costs, or any combination thereof. The Governing Body shall have the right, at its sole cost, to audit the financial records related to the use of tax proceeds generated pursuant to section 4 of this measure.**

**2. Except as otherwise provided in section 4 of this measure, the Governing Body shall not repeal or amend or otherwise directly or indirectly modify the Taxing Ordinance, until such time as all outstanding bonds, including any bonds issued to refund bonds, have been paid and are retired.**

**Sec. 7. 1. As soon as practicable after the effective date of this measure, and in accordance with the limitations of this section and section 6 of this measure, each Governing Body shall approve a Qualifying Arena and shall appropriate the proceeds of the tax imposed by section 4 of this measure to support the construction, improvement, equipment, operation or maintenance of the Qualifying Arena. Such an appropriation may be made for all or any combination of the purposes enumerated in this subsection.**

**2. An appropriation may be made for the support of only one Qualifying Arena by any Governing Body. If the Governing Body determines that there is more than one Qualifying Arena otherwise eligible for an appropriation, the appropriation must be made for the support of the Qualifying Arena that, in the judgment of the Governing Body, best serves the interest of the public.**

**Sec. 8. Effective dates.**

1. This section and sections 1 to 7, inclusive, of this measure become effective:

- (a) If subsection 2 is applicable, upon passage and approval; or
- (b) If subsection 3 is applicable, upon completion of the canvass of votes by the Supreme Court.

2. If this measure is enacted by the 76th Session of the Legislature and approved by the Governor as provided in subsection 3 of Section 2 of Article 19 of the Nevada Constitution:

(a) This section and sections 1 to 7, inclusive, of this measure become effective:

(1) Upon passage and approval, for purposes of adopting the ordinance imposing the Taxing Ordinance; and

(2) On July 1, 2011, for all other purposes.

3. If this measure is not enacted and approved as provided in subsection 2, but is approved by voters after the measure has been referred or submitted to the voters pursuant to subsection 3 of Section 18 of Article 4 or subsection 3 of Section 2 of Article 19 of the Nevada Constitution:

(a) This section and sections 1 to 7, inclusive, of this measure become effective:

(1) Upon the completion of the canvass of votes by the Supreme Court, for the purposes of adopting the Taxing Ordinance; and

(2) On January 1, 2013, for all other purposes.

4. For the purposes of subsection 2, this measure shall be deemed to have been approved by the Governor if, in accordance with Section 35 of Article 4 of the Nevada Constitution:

- (a) The Governor signs the measure;
- (b) The measure is passed by both Houses of the Legislature during its 76th Session notwithstanding the objections of the Governor; or
- (c) The Governor fails to return or file the measure within the time provided by Section 35 of Article 4.

**Sec. 9. Severability.** If any provision of this measure or its application to any person or circumstance is held to be invalid or ineffective, the invalidity or ineffectiveness must be given the narrowest possible construction and shall not affect any other provision or application of this measure.

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### DESCRIPTION OF EFFECT

Initiative proposing statutory amendment requiring any county with population of 800,000 or more to impose additional 0.9% sales and use tax, the proceeds of which must be used for development/maintenance of a "qualifying" sports/entertainment arena. The tax will be imposed upon sales and uses occurring within 3 miles of a proposed qualifying arena and then only if they are within the unincorporated area of a Gaming Enterprise District. A qualifying arena must have or be: (1) at least 18,000 seats and suitable for an NBA and/or NHL team; (2) located on property not paid for with money from the additional tax; (3) within the created "arena district"; (4) at least 95,000 transient lodging rooms within a 2 mile radius of the arena property; and (5) no preferred usage to those involved in its development/maintenance. The Department of Taxation will collect the tax. If the Initiative is adopted during the 2011 Legislative session, the additional tax requirement goes into effect when Initiative becomes law. If the Initiative is not adopted by the Legislature, but approved by voters during the 2012 general election, it goes into effect upon a completion of the canvass of votes.

County of \_\_\_\_\_

**(Only registered voters of this county may sign below)**

**Petition  
District**

<b>1</b>	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
	YOUR SIGNATURE                      DATE /        /	CITY                                      COUNTY	
<b>2</b>	PRINT YOUR NAME (first name, initial, last name)	RESIDENCE ADDRESS ONLY	
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County of \_\_\_\_\_ (Only registered voters of this county may sign below)

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	YOUR SIGNATURE <span style="float: right;">DATE / /</span>	CITY <span style="float: right;">COUNTY</span>	

**THE FOLLOWING AFFIDAVIT MUST BE COMPLETED AND SIGNED.**

***AFFIDAVIT OF CIRCULATOR***  
(TO BE SIGNED BY CIRCULATOR)

STATE OF NEVADA     )  
  )  
COUNTY OF \_\_\_\_\_)

I, \_\_\_\_\_, (print name), being first duly sworn under penalty of perjury, depose and say: (1) that I reside at \_\_\_\_\_ (print street, city and state); (2) that I am 18 years of age or older; (3) that I personally circulated this document; (4) that all signatures were affixed in my presence; (5) that I believe each person who signed was at the time of signing a registered voter in the county of his or her residence; (6) that the number of signatures affixed thereon is \_\_\_\_\_; and (7) that each person who signed had an opportunity before signing to read the full text of the act or resolution on which the initiative is demanded.

\_\_\_\_\_  
(Signature of Circulator)

Subscribed and sworn to or affirmed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by \_\_\_\_\_.

\_\_\_\_\_  
Notary Public or person authorized to administer oath

ROSS MILLER  
 SECRETARY OF STATE  
 2010 AUG 17 PM 4:03  
 LAS VEGAS, NEVADA

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