Carson City Culture & Tourism Authority
Agenda Report

Date Submitted: 03/26/21

Agenda Date Requested: 04/02/21

Time Requested: 5-10 Minutes

To: Carson City Culture & Tourism Authority - Board of Directors

From: David Peterson, Executive Director (dpeterson@visitcarsoncity.com)

Subject Title: Discussion and possible action to support Nevada Legislative Assembly Bill 270

Staff Summary: Jim Wells, President of the Nevada State Prison Preservation Society will present AB270

Type of Action Requested:

(____) Resolution (____) Ordinance
(_xx_) Formal Action/Motion (___) Other (Specify) Presentation Only

Recommended Board Action: I move to support Nevada Legislative Assembly Bill 270.

Applicable Statute, Code, Policy, Rule or Regulation:

Fiscal Impact: n/a

Explanation of Impact: n/a

Funding Source: n/a

Supporting Material/Attachments: Nevada Legislative AB 270 Bill as Introduced
Carson City Board of Supervisors Letter of Support from Mayor Bagwell

Prepared By: Chris Kipp, Operations Manager

ASSEMBLY BILL NO. 270–ASSEMBLYMEN O'NEILL, DICKMAN, WHEELER; AND ROBERTS

MARCH 15, 2021

JOINT SPONSORS: SENATORS DONDERO LOOP, KIECKHEFER AND SETTELMEYER

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing the preservation of the Nevada State Prison and the Stewart Indian School. (BDR 18-646)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

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

AN ACT relating to state property; revising provisions relating to the accounting of certain fees for the use of the buildings and grounds of the former Stewart Indian School; revising provisions related to the Silver State Industries Endowment Fund and the Endowment Fund for the Historic Preservation of the Nevada State Prison; authorizing the sale or consumption of beer and wine at certain events held within the historic structures, buildings and other property of the Nevada State Prison; making various other changes related to the Nevada State Prison; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law: (1) the Nevada Indian Commission is the coordinating agency regarding activities at and uses of the buildings and grounds of the former Stewart Indian School; and (2) gifts, grants of money, revenues generated or other property which the Commission is authorized to accept must be accounted for in the Nevada Indian Commission's Gift Fund. (NRS 233A.092, 233A.097) Existing law requires, with certain exceptions, that the proceeds of a fee for any authorization to use state land must be paid into the State Treasury for credit to the State General Fund. (NRS 322.160) **Sections 1, 2 and 5** of this bill require that the proceeds of any fee charged for authorization to use the buildings or grounds of

the former Stewart Indian School be paid into the State Treasury for credit to the Nevada Indian Commission's Gift Fund for the purpose of carrying out programs to preserve and maintain the buildings and grounds of the former Stewart Indian School.

Existing law: (1) creates the Silver State Industries Endowment Fund, which is administered by the Silver State Industries Division of the Department of Corrections; (2) prescribes the uses of the money in the Fund; (3) prohibits spending or transferring any amount of the reserved principal of the Fund, which must not exceed $100,000; and (4) requires the State Treasurer, at the end of each fiscal year, to transfer to the Endowment Fund for the Historic Preservation of the Nevada State Prison a portion of the money remaining in the Silver State Industries Endowment Fund. (NRS 209.194, 381.239) **Section 3** of this bill: (1) revises the allocation of money in the Fund for the maintenance of the modern structures, buildings and other property of the Prison and administrative costs; and (2) eliminates the prohibition on spending or transferring the reserved principal of the Fund.

Existing law makes it unlawful, with certain exceptions, to sell alcoholic beverages within one-half mile of any institution under the jurisdiction of the Department of Corrections. (NRS 212.180) **Section 4** of this bill authorizes the sale or consumption of beer and wine at certain events held within the historic structures, buildings and other property of the Nevada State Prison.

Existing law: (1) creates the Endowment Fund for the Historic Preservation of the Nevada State Prison; (2) requires that the money in the Fund be used to operate, maintain and preserve the historic structures, buildings and other property of the Nevada State Prison; and (3) prohibits spending or transferring any amount of the reserved principal of the Fund, which must not exceed $100,000. (NRS 381.239) **Section 6** of this bill eliminates the prohibition on spending or transferring the reserved principal of the Fund.

Existing law authorizes the Department of Corrections and any other state agency to which an assignment of the historic property of the Nevada State Prison is made to grant a special use permit or enter into an agreement with a nonprofit corporation, pursuant to which the corporation is authorized to conduct tours and engage in other activities relating to that property. (NRS 381.241) **Section 7** of this bill requires that any such permit or agreement provide that any income received by the corporation from grants made to the corporation for certain purposes belong solely to the corporation.

Existing law requires the Board of Museums and History to create a trust fund for the deposit of certain money that becomes available from grants, donations and gifts to be used for further study and development of the historic property of the Nevada State Prison. (NRS 381.243) **Section 9** of this bill eliminates the requirement to create the trust fund. **Section 8** of this bill requires that any money remaining in the trust fund on July 1, 2021, must be deposited in the Endowment Fund for the Historic Preservation of the Nevada State Prison.

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

Section 1. Chapter 233A of NRS is hereby amended by adding thereto a new section to read as follows:

The proceeds of any fee charged for authorization to use the buildings or grounds of the former Stewart Indian School must be paid into the State Treasury for credit to the Nevada Indian

Commission's Gift Fund created by NRS 233A.097 and used by the Nevada Indian Commission to carry out programs to preserve and maintain the buildings and grounds of the former Stewart Indian School.

Sec. 2. NRS 233A.097 is hereby amended to read as follows:

233A.097 1. Except for gifts or grants specifically accounted for in another fund, all gifts or grants of money, revenues generated or other property which the Commission is authorized to accept must be accounted for in the Nevada Indian Commission's Gift Fund, which is hereby created as a special revenue fund. The Fund is a continuing fund without reversion. The Commission may establish such accounts in the Fund as are necessary to account properly for gifts, grants and revenues received ~~[.]~~ ***and fees deposited pursuant to section 1 of this act.*** All such money received by the Commission must be deposited in the State Treasury for credit to the Fund. The money in the Fund must be paid out on claims as other claims against the State are paid. Unless otherwise specifically provided by statute, claims against the Fund must be approved by the Executive Director of the Commission or his or her designee.

2. Gifts of property other than money may be sold or exchanged when this is deemed by the Commission to be in the best interest of the Commission. The sale price must not be less than 90 percent of the value determined by a qualified appraiser appointed by the Commission. All money received from the sale must be deposited in the State Treasury to the credit of the appropriate gift account in the Nevada Indian Commission's Gift Fund. The money may be spent only for the purposes of the Commission. The property may not be sold or exchanged if to do so would violate the terms of the gift.

Sec. 3. NRS 209.194 is hereby amended to read as follows:

209.194 1. The Silver State Industries Endowment Fund is hereby created as a trust fund in the State Treasury.

2. The State Treasurer shall deposit in the Fund:

(a) Any money received from any commercial or correctional activities relating to the use of the modern structures, buildings and other property of the Nevada State Prison; and

(b) Any gifts, grants or donations of money the State Treasurer receives from any person who wishes to contribute to the Fund.

➥ The money described in paragraphs (a) and (b) must be accounted for separately.

3. The interest and income earned on the money in the Fund must be credited to the Fund.

4. The Fund must be administered by the Silver State Industries Division of the Department.

5. Except as otherwise provided in subsection 6, the money in the Fund must only be used for the purposes set forth in this subsection. ~~[The money which represents the reserved principal of the Fund, in an amount not to exceed $100,000, must not be spent and, except as otherwise provided in subsection 6, only the money which represents the principal in excess of $100,000 and the interest earned on the principal may be used to carry out the provisions of this section.]~~ The Silver State Industries Division may use:

(a) In addition to any interest earned on the principal of the Fund, not more than ~~[50]~~ ***75*** percent of the money received during a fiscal year from any commercial or correctional activities relating to the use of the modern structures, buildings and other property of the Nevada State Prison for the maintenance of the modern structures, buildings and other property of the Nevada State Prison; and

(b) Not more than ~~[10]~~ ***5*** percent of the ~~[interest earned on the principal of the Fund]~~ ***money received during a fiscal year from any commercial or correctional activities relating to the use of the modern structures, buildings and other property of the Nevada State Prison*** to pay administrative costs.

6. At the end of each fiscal year, the State Treasurer shall transfer from the Silver State Industries Endowment Fund to the Endowment Fund for the Historic Preservation of the Nevada State Prison created by NRS 381.239 ~~[50]~~ ***25*** percent of all the money received during the fiscal year from any commercial or correctional activities relating to the use of the modern structures, buildings and other property of the Nevada State Prison and deposited into and remaining in the Silver State Industries Endowment Fund. The State Treasurer shall not transfer ~~[the reserved principal of the Silver State Industries Endowment Fund or]~~ any interest earned on the principal.

7. As used in this section, "modern structures, buildings and other property of the Nevada State Prison" means the structures, buildings and other property described in paragraph (a) of subsection 1 of NRS 321.004.

Sec. 4. NRS 212.180 is hereby amended to read as follows:

212.180 ~~[It]~~

1. Except as otherwise provided in subsection 2, it is unlawful for any person, unless the person was licensed to sell alcoholic beverages at that address before July 1, 1983, to sell by wholesale or retail any alcoholic beverage within one-half mile of any institution under the jurisdiction of the Department of Corrections which is designed to house 125 or more offenders within a secure perimeter, and no license may be granted authorizing the sale of any alcoholic beverage within one-half mile of such an institution.

2. The provisions of subsection 1 do not prohibit the sale or consumption of beer and wine at any event held pursuant to a

special use permit or agreement with the Nevada State Prison Preservation Society, or any successor or similar nonprofit corporation, within the historic structures, buildings and other property of the Nevada State Prison so long as the beer and wine is served in temporary containers and beer or wine is not stored at the historic structures, buildings and other property of the Nevada State Prison.

3. As used in this section:

(a) "Beer" has the meaning ascribed to it in NRS 369.010.

(b) "Historic structures, buildings and other property of the Nevada State Prison" means the structures, buildings and other property described in paragraph (b) of subsection 1 of NRS 321.004.

(c) "Wine" has the meaning ascribed to in NRS 369.140.

Sec. 5. NRS 322.160 is hereby amended to read as follows:

322.160 The proceeds of any fee charged pursuant to NRS 322.100 to 322.130, inclusive, must be accounted for by the State Land Registrar and:

1. If the fee is for any authorization to use land granted to the State by the Federal Government for educational purposes, the proceeds must be paid into the State Treasury for credit to the State Permanent School Fund.

2. If the fee is for any authorization to use any other state land, except as otherwise provided in this subsection ~~[,]~~ ***or section 1 of this act,*** the proceeds must be paid into the State Treasury for credit to the State General Fund. If the proceeds of the fees charged pursuant to NRS 322.120 to use any other state land exceed $65,000 in any fiscal year, the amount which is in excess of $65,000 must be accounted for separately and used by the State Land Registrar to carry out programs to preserve, protect, restore and enhance the natural environment of the Lake Tahoe Basin.

Sec. 6. NRS 381.239 is hereby amended to read as follows:

381.239 1. The Endowment Fund for the Historic Preservation of the Nevada State Prison is hereby created as a trust fund in the State Treasury.

2. The State Treasurer shall deposit in the Fund:

(a) Any money received from any commercial or tourist enterprises relating to the use of the historic structures, buildings and other property of the Nevada State Prison as a historical, cultural, educational and scientific resource, except for any administrative expenses of a nonprofit corporation retained by the corporation pursuant to NRS 381.241.

(b) At the end of each fiscal year, the money required by subsection 6 of NRS 209.194 to be transferred from the Silver State Industries Endowment Fund created by that section **.** ~~[, other than~~

~~the money which represents the reserved principal of the Silver State Industries Endowment Fund.]~~

(c) Any other gifts, grants or donations of money the State Treasurer receives from any person who wishes to contribute to the Fund.

3. The interest and income earned on the money in the Fund must be credited to the Fund.

4. The Fund must be administered by the agency to which the historic structures, buildings and other property of the Nevada State Prison are assigned for administration pursuant to NRS 321.004, in consultation with the Board and the Nevada State Prison Preservation Society or its successor.

5. The money in the Fund must only be used for the purposes of the operation, maintenance and preservation of the historic structures, buildings and other property of the Nevada State Prison as a historical, cultural, educational and scientific resource. ~~[The money which represents the reserved principal of the Fund, in an amount not to exceed $100,000, must not be spent, and only the money which represents the principal in excess of $100,000 and the interest earned on the principal may be used to carry out the provisions of this section.]~~ The agency that administers the Fund may use not more than 10 percent of the interest earned on the principal of the Fund to pay administrative costs.

Sec. 7. NRS 381.241 is hereby amended to read as follows:

381.241 1. The Department of Corrections and, as soon as practicable after the date of the assignment, any other state agency that receives an assignment from the State Land Registrar of the historic structures, buildings and other property of the Nevada State Prison pursuant to NRS 321.004 may grant a special use permit to or enter into an agreement with the Nevada State Prison Preservation Society, or any successor or similar nonprofit corporation, authorizing the corporation to conduct tours and engage in other commercial and tourist activities relating to the historic structures, buildings and other property of the Nevada State Prison.

2. Any permit or agreement granted or entered into pursuant to this section must:

(a) Be for a term of 2 years;

(b) Be renewable as provided in the permit or agreement;

(c) Authorize the corporation to charge and collect reasonable fees or solicit and collect donations for its activities;

(d) Require the corporation to pay the income from such fees **,** ~~[and donations,]~~ less the reasonable administrative expenses incurred by the corporation, to the State Treasurer for deposit in the Endowment Fund for the Historic Preservation of the Nevada State Prison created by NRS 381.239; and

(e) Provide that any income received by the corporation from membership fees, the sale of merchandise of the corporation ***, grants*** or donations made to the corporation for purposes other than entry into or tours of the historic structures, buildings and other property at the Nevada State Prison belong solely to the corporation.

Sec. 8. Any money remaining in the trust fund established pursuant to NRS 381.243 on July 1, 2021, must be deposited in the Endowment Fund for the Historic Preservation of the Nevada State Prison created by NRS 381.239.

Sec. 9. NRS 381.243 is hereby repealed.

Sec. 10. This act becomes effective on July 1, 2021.

TEXT OF REPEALED SECTION

NRS 381.243 Trust fund for donations, sponsorships, gifts or grants: Establishment; uses; administration.

1. The Board shall establish a dedicated trust fund for the deposit of any money that becomes available from any public or private donation, sponsorship, gift or grant, other than:

(a) A grant of federal money; or

(b) Any money described in NRS 381.239.

2. The money in the trust fund established pursuant to this section must be used only for the further study and development of the historic structures, buildings and other property of the Nevada State Prison.

3. The trust fund established pursuant to this section must be administered by the Board in the manner provided by NRS 381.002 to 381.0037, inclusive, for the Division of Museums and History Dedicated Trust Fund established pursuant to NRS 381.0031, except that the trust fund established pursuant to this section must be administered in consultation with the agency to which the administration of the historic structures, buildings and other property of the Nevada State Prison is assigned pursuant to NRS 321.004 and the Nevada State Prison Preservation Society or its successor.

㉚

CARSON CITY, NEVADA

CONSOLIDATED MUNICIPALITY AND STATE CAPITAL

March 19, 2021

Assemblyman Philip P.K. O'Neill
1216 Sonoma Street
Carson City, NV 89701-6175

RE: AB 270 – Revises provisions governing the preservation of the Nevada State Prison and the Stewart Indian School. (BDR 18-646)

Dear Assemblyman O'Neill:

At the March 18, 2021 Carson City Board of Supervisors meeting, the Board voted unanimously to support AB 270.

The Capital City of Nevada since statehood in 1864, Carson City is rich in history. Among the City's many historical buildings, the Nevada State Prison and Stewart Indian School allow visitors to take a step back into the early years of Nevada's statehood and gain an understanding of the hardships and traditions that have made Carson City what it is today. "Proud of its Past ... Confident of its Future."

Allowing the proceeds of fees charged to use the buildings or grounds of the former Stewart Indian School and Nevada State Prison to be used to preserve and maintain the buildings and grounds at these historical sites will ensure they are maintained for generations to come.

This past Nevada Day 2020, visitors and residents were offered a guided experience at the Nevada State Prison Historic Site. Though limited by COVID - 19 restrictions, the event was a huge success. 144 tickets were issued overnight, and 60 additional groups of four to five people were added to a waitlist. As proposed by the bill, allowing beer and wine to be served on prison grounds, opens these venue to endless possibilities for events.

We are pleased to support this legislation for our Capital City.

Best regards,

Lori Bagwell

Mayor Lori Bagwell
Carson City, Nevada

Lori Bagwell, *Mayor*
201 N. Carson Street, Suite 2 • Carson City, Nevada 89701
(775) 887-2100 • **Fax:** (775) 887-2286
E-mail: lbagwell@carson.org