



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: *March 17, 2026*

DATE: Thursday, March 12, 2026

TO: Board of County Commissioners

FROM: Cadence Matijevich, Government Affairs Liaison
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THROUGH: Kate Thomas, Manager, Washoe County

SUBJECT: Discussion and initial direction to staff regarding potential Bill Draft Requests (BDRs) for the 84th (2027) Session of the Nevada Legislature. The subject(s) of potential BDRs to be considered include a measure requiring that a local government reimburse a county for any costs incurred by that county as a result of errors in a local government billing file remitted to its county treasurer; amending NRS 244A.7645 to allow not more than three percent of the surcharge collected for enhancement of the telephone system used for reporting emergencies and purchase and maintenance of event recording devices to be used to pay the expenses associated with administration of the surcharge revenues; and to submit one or more recommendations to the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System to address equity in authority for and distribution of transient lodging tax and surcharge revenues collected in Incline Village and Crystal Bay for the purpose of establishing a dedicated funding source for public transit to, from, and with the portion of the Lake Tahoe Basin located in Washoe County. The Board may direct staff to pursue BDRs on these subjects and/or to bring back other possible BDR concepts on subjects the Board identifies as being in the best interests of the county for approval at a future meeting. Manager's Office. (All Commission Districts.) **FOR POSSIBLE ACTION**

SUMMARY

Nevada Revised Statutes (NRS) 218D.205 authorizes Washoe County to submit up to two (2) requests for the drafting of legislative measures for consideration by the Nevada Legislature during each regular session of the Legislature. Such requests are commonly referred to as Bill Draft Requests (BDRs). Should the Board choose to exercise its authority to submit one or more BDRs for the 84th Session of the Nevada Legislature, which is scheduled to begin February 1, 2027, the request(s) must be submitted to the Legislative Counsel Bureau on or before September 1, 2026.

AGENDA ITEM # _____

NRS Chapter 218D also grants authority to Legislators, the chairs of standing legislative committees, joint standing interim legislative committees, the Governor, the Nevada Association of Counties, and to various other persons and entities to submit BDRs for consideration during regular sessions of the Nevada Legislature. Washoe County may solicit one or more of these persons or entities to sponsor a BDR on behalf of the County.

Section 17 of Article 4 of the Constitution of the State of Nevada requires that each law enacted by the Legislature embrace only one subject.

The Board is requested to provide initial direction to staff on the subjects of up to two (2) BDRs to be submitted to the Legislative Counsel Bureau by Washoe County and/or to provide direction to staff to seek outside sponsorship of one or more BDRs. Staff intends to return to the Board to provide an update and receive further direction regarding BDRs in the early summer of 2026.

Washoe County Strategic Objectives supported by this item: Fiscal Sustainability,
Economic Impacts

PREVIOUS ACTION

No previous action related to this item.

BACKGROUND

In October 2025, Washoe County departments were solicited to submit proposals for potential BDRs for the 84th Session of the Nevada Legislature to the Office of the County Manager. Submissions were requested to be provided on or before January 30, 2026. Submissions were reviewed for alignment with Washoe County's Strategic Plan and to determine political feasibility, legal soundness, resource implications, opportunity for collaboration with other stakeholders, and ability/capacity to implement.

The following two proposals received from departments are presented for the Board's consideration:

1. To require a local government that submits an erroneous billing file to a county treasurer to reimburse the county for any expenses incurred by the county due to the errors contained in the billing file.

Currently, there is no statutory mechanism by which a county is authorized to recover costs incurred by a county because of errors contained in a billing file remitted to a county treasurer. Errors in billing files remitted by a local government can result in a county incurring substantial expenses to correct property tax bills, to communicate with affected property owners, and/or to address any liabilities associated with such the errors. Given that this is an issue that would impact all counties in Nevada, staff recommends that this proposal be submitted to the Nevada Association of Counties (NACO) Legislative Committee for consideration as a NACO BDR.

2. Amend NRS 244A.7645 to allow a maximum of three (3) percent of revenues from a surcharge imposed by a county for enhancement of the telephone system used for reporting emergencies and purchase and maintenance of event recording devices (911 Telephone Surcharge) to be used by the county to pay the costs associated with administration of the surcharge revenues.

NRS 244A.7643 provides that following adoption of a 5-year master plan for the enhancement of the telephone system for reporting emergencies in the county or for the purpose of purchasing and maintaining portable event recording devices and vehicular event recording devices, as applicable, a board of county commissioners of a county may by ordinance, for the purpose of enhancement of the telephone system for reporting an emergency in the county and for the purpose of purchasing and maintaining portable event recording devices and vehicular event recording devices, impose a surcharge on:

- (a) Each access line or trunk line of each customer to the local exchange of any telecommunications provider providing those lines in the county; and
- (b) The mobile telephone service provided to each customer of that service whose place of primary use is in the county.

NRS 244A.7645 sets forth that if a surcharge is imposed in a county pursuant to NRS 244A.7643, the board of county commissioners of that county shall create a special revenue fund of the county for the deposit of the money collected pursuant to the statute and shall establish an advisory committee to develop a plan to enhance the telephone system for reporting an emergency in that county and to oversee any money allocated for that purpose. Further, NRS 244A.7645 establishes the allowable uses of the surcharge revenues. Administrative costs associated with the special revenue fund or the statutorily required advisory committee are not currently an authorized use of the surcharge revenues.

Washoe County Code 65.400 – 65.460, inclusive, provides for the imposition of such a surcharge, sets the amount of such surcharge, and as required by statute, establishes and sets forth the duties of an advisory committee related to the use of the revenues generated by the surcharge, and other related matters.

The Board last set the amount of the surcharge on May 16, 2023 (Resolution R23-63) at:

- (a) One dollar per month for each customer access line to the local exchange of a telecommunications provider;
- (b) Ten dollars per month for each customer trunk line to the local exchange of a telecommunications provider; and
- (c) One dollar per month per telephone number assigned a customer by a supplier of mobile telephone service.

Surcharge revenues totaled approximately \$7,100,000 in fiscal year 2025. Various entities in Washoe County are eligible recipients of the surcharge revenues, including the City of Reno, the City of Sparks, the Washoe County School District, the Truckee Meadows Fire Protection District, and the North Lake Tahoe Fire Protection District.

Staff from the Washoe County Technology Services Department, Finance Department, and Comptroller's Department all allocate time to the receipt and distribution of surcharge revenues. Additionally, staff from the Technology Services Department and the District Attorney's Office allocate time to support the statutorily required advisory committee. In total, such staff time equates to approximately 2,000 hours per year, or one full-time staff position. Authority to utilize surcharge revenues to cover the cost of such staff time would create a dedicated funding source for support of the fund and the advisory committee.

While NRS 244A.7465 applies to all counties in Nevada, currently only Washoe County, Clark County, Humboldt County and Carson City have imposed the authorized surcharge.

Should the Board wish to pursue this item as a BDR, staff recommends that it be submitted as a Washoe County BDR or that an individual legislator be solicited to sponsor the bill on behalf of Washoe County.

In addition to the topics submitted by departments, a third topic was identified by Commissioner Hill:

3. Address equity in authority for and distribution of transient lodging tax and surcharge revenues collected in the Washoe County portion of the Lake Tahoe Basin for the purpose of establishing a dedicated funding source for public transit to, from, and with the portion of the Lake Tahoe Basin located in Washoe County.

Statutes currently authorize the imposition of a per night tourism surcharge ranging from \$1 - \$2 in each of the transient lodging tax districts located in the incorporated cities within Washoe County (Reno B, Reno D, Reno E, and Sparks), as well as the imposition of an additional per night capital projects surcharge of \$2 at lodging properties with an unrestricted gaming license located within the Downtown Reno transient lodging tax district (Reno D). No per night surcharge is currently authorized for the transient lodging tax districts that are comprised of lodging properties located in unincorporated Washoe County (Washoe A and Washoe B).

The transient lodging tax rate for the transient lodging tax district that includes lodging properties located exclusively in Incline Village and Crystal Bay (Washoe B) currently totals thirteen (13) percent. As shown in the table below, 4 percent of the 13 percent tax rate is dedicated exclusively to debt service or other support of facilities located outside of Incline Village and Crystal Bay.

Description	Entity Receiving Funds	Tax Rate
RSCVA General Fund	RSCVA*	6.625%*
Convention Center – Debt	RSCVA	2%
National Bowling Stadium – Debt	RSCVA	1%
City/Civic Center	Reno/Sparks/RSCVA	1%
Washoe County	Washoe County	1%
State General Fund & School Support Fund	State of Nevada	1%
Nevada Commission on Tourism	State of Nevada	0.375%

*Chapter 432, Statutes of Nevada 1999 requires that the RSCVA grant one-half of the proceeds of this rate to Travel North Tahoe Nevada (formerly Incline Village and Crystal Bay Visitors Bureau).

NRS 218E.560 creates the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System (Committee). The general duties and powers of the Committee are set forth in NRS 218E.565 and NRS 218E.570, respectively. Subsection 4 of NRS 218E.570 authorizes the Committee to recommend to the Legislature, as a result of its review and study, any appropriate legislation; subsection 5 of NRS 218E.560 requires that any recommended legislation proposed by the Committee must be approved by a majority of the members of the Senate and a majority of the members of the Assembly appointed to the Committee. NRS 218D.160(3)(e) authorizes the Committee to request the drafting of not more than ten BDRs.

During the 2023-2025 Legislative Interim and again in the current Legislative Interim, the subject of sustainable funding for public transit and transportation services in the Lake Tahoe Basin was discussed by the Committee. Washoe County, the Tahoe Regional Planning Agency, the Tahoe Transportation District, and other stakeholders have all indicated the need to identify and implement dedicated, ongoing funding sources for transit and transportation services in the Lake Tahoe Basin.

The Board may wish to submit one or more BDR recommendations to the Committee regarding dedicated funding for public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County. Two such recommendations are outlined below for the Board’s consideration.

- a) Authorize a surcharge on the per night charge for rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County.
- b) Amend Chapter 432, Statutes of Nevada, 1999, to require the Reno-Sparks Convention Authority to grant to Washoe County a percentage of certain taxes collected from the rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County.

FISCAL IMPACT

No fiscal impact.

RECOMMENDATION

Staff recommends the Board of County Commissioners provide the following direction to staff regarding the preparation of up to two (2) BDRs for submission to the Legislative Counsel Bureau and/or to seek sponsorship of one or more BDRs by other entities or individuals authorized to submit BDRs:

1. To submit to NACO, for consideration as a NACO BDR, the requirement that a local government which submits an erroneous billing file to a county treasurer must reimburse the county for any expenses incurred by the county due to the errors contained in the billing file.
2. To approve submission of a Washoe County BDR and/or to seek individual legislator sponsorship of a BDR to amend NRS 244A.7645 to allow a maximum of three (3) percent of a surcharge collected for enhancement of the telephone system used for reporting emergencies and purchase and maintenance of event recording devices (911 Telephone Surcharge) revenues to be used by counties to pay the costs associated with administration of the surcharge revenues.
3. To submit one or both of the following BDR recommendations to the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System to address equity in authority for and distribution of transient lodging tax and surcharge revenues collected in the Washoe County portion of the Lake Tahoe Basin for the purpose of establishing a dedicated funding source for public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County:
 - a) Authorize a surcharge on the per night charge for rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County.
 - b) Amend Chapter 432, Statutes of Nevada, 1999, to require the Reno-Sparks Convention Authority to grant to Washoe County a percentage of certain taxes collected from the rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

I move to direct staff to submit to NACO, for consideration as a NACO BDR, the requirement that a local government which submits an erroneous billing file to a county treasurer must reimburse the county for any expenses incurred by the county due to the errors contained in the billing file; to approve as a Washoe County BDR and/or to seek individual legislator sponsorship of a BDR to amend NRS 244A.7645 to allow a

maximum of three (3) percent of a surcharge collected for enhancement of the telephone system used for reporting emergencies and purchase and maintenance of event recording devices (911 Telephone Surcharge) revenues to be used by counties to pay the costs associated with administration of the surcharge revenues; to direct staff to submit one or both of the following recommendations to the Legislative Committee for the Review and Oversight of the Tahoe Regional Planning Agency and the Marlette Lake Water System to address equity in authority for and distribution of transient lodging tax and surcharge revenues collected in the Washoe County portion of the Lake Tahoe Basin for the purpose of establishing a dedicated funding source for public transit to, from, and with the portion of the Lake Tahoe Basin located in Washoe County:

- a) Authorize a surcharge on the per night charge for rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County.
- b) Amend Chapter 432, Statutes of Nevada, 1999, to require the Reno-Sparks Convention Authority to grant to Washoe County a percentage of certain taxes collected from the rental of transient lodging in Incline Village and Crystal Bay to be used towards paying the costs of public transit to, from, and within the portion of the Lake Tahoe Basin located in Washoe County; and/or,

to direct staff to return to the Board to consider BDRs on the following subject(s):

Board to identify subjects(s), if any.

Attachment: Washoe County BDR Development Process Timeline for 84th Session of the Nevada Legislature