

SENATE BILL NO. 68—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE CLARK REGIONAL
BEHAVIORAL HEALTH POLICY BOARD)

PREFILED NOVEMBER 16, 2022

Referred to Committee on Revenue and
Economic Development

SUMMARY—Establishes programs to provide certain assistance
relating to housing. (BDR 25-303)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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

AN ACT relating to housing; creating the Critical Needs Fund;
authorizing money in the Fund to be used for certain
purposes relating to very low income housing, supportive
housing and supportive services; increasing the real
property transfer tax; requiring the money from the
increased tax to be deposited in the Fund; and providing
other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law imposes a tax on certain transfers of real property. The tax is
2 based on the value of the transferred property in increments of \$500 or a fraction
3 thereof. (NRS 375.020) Existing law requires the State Controller to deposit a
4 portion of that transfer tax into the Account for Affordable Housing, which is
5 administered by the Housing Division of the Department of Business and Industry
6 in order to assist certain persons in obtaining or keeping affordable housing. (NRS
7 319.500, 319.510, 375.070) **Section 14** of this bill: (1) creates the Critical Needs
8 Fund; (2) requires the Division to administer the Fund; and (3) requires the money
9 in the Fund to be used to provide certain assistance for very low income housing,
10 supportive housing and supportive services. **Section 21** of this bill increases the tax
11 on certain transfers of real property by 20 cents for each \$500 of value or fraction
12 thereof, and **section 22** of this bill requires the State Controller to deposit the
13 amount attributable to the increase into the Fund. **Section 14** also authorizes the
14 Division to apply for and accept gifts, bequests, grants, donations and other sources
15 of money for credit to the Fund. **Sections 3-13** of this bill define certain terms
16 related to the use of money in the Fund.



Existing law divides this State into five behavioral health regions and creates a regional behavioral health policy board for each region. (NRS 433.428, 433.429) Existing law requires each policy board to advise certain agencies, including the Department of Health and Human Services, concerning priorities for allocating money to support and develop behavioral health services in each region. (NRS 433.4295) **Section 15** of this bill requires the Division to annually allocate money in the Fund to be used in each behavioral health region and prescribes the manner in which the Division is required to calculate such allocations. From the money allocated for use in a behavioral health region, **sections 15 and 23** of this bill require the policy board created for the region to determine an amount to be used for: (1) rental assistance or home repair assistance for very low income housing; and (2) supportive housing and supportive services.

Section 16 of this bill requires the Division to distribute the money allocated by each policy board to rental and home repair assistance for very low income housing to the housing authorities whose area of operation includes any part of the behavioral health region. **Section 16** requires each housing authority to distribute that money to provide rental and home repair assistance for very low income housing in the applicable behavioral health region, prioritizing households with the lowest income.

Section 17 of this bill requires the Division to distribute the money allocated by each policy board to supportive housing projects and supportive services in the following order of priority: (1) first, to itself for the purpose of awarding grants to provide rental assistance to supportive housing projects within the applicable behavioral health region; and (2) second, to the Department of Health and Human Services for the purpose of awarding grants to provide supportive services within the applicable behavioral health region. **Sections 18 and 19** of this bill require the Division and the Department, respectively, to: (1) award such grants; and (2) adopt regulations prescribing the process for awarding those grants. **Section 20** of this bill prescribes certain conditions applicable to the grants.

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

Section 1. Chapter 319 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 20, inclusive, of this act.

Sec. 2. *As used in sections 2 to 20, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 13, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Behavioral health region” has the meaning ascribed to it in NRS 433.426.*

Sec. 4. *“Department” means the Department of Health and Human Services.*

Sec. 5. *“Developmental disability” has the meaning ascribed to it in NRS 435.007.*

Sec. 6. *“Disabling condition” means a substance use disorder, serious mental illness, serious emotional disturbance, developmental disability, intellectual disability or chronic physical*



1 *illness or disability, including, without limitation, a combination*
2 *of two or more such conditions.*

3 **Sec. 7.** *“Fund” means the Critical Needs Fund created by*
4 *section 14 of this act.*

5 **Sec. 8.** *“Housing authority” means a housing authority*
6 *created pursuant to chapter 315 of NRS. The term includes,*
7 *without limitation, the Nevada Rural Housing Authority created*
8 *by NRS 315.977.*

9 **Sec. 9.** *“Intellectual disability” has the meaning ascribed to*
10 *it in NRS 435.007.*

11 **Sec. 10.** *“Policy board” has the meaning ascribed to it in*
12 *NRS 433.427.*

13 **Sec. 11.** *“Supportive housing” means housing that:*

14 *1. Including the cost of utilities, costs not more than 30*
15 *percent of the total monthly gross income of the household to*
16 *which the housing is provided; and*

17 *2. Offers supportive services to achieve housing stability to:*

18 *(a) At least one person who is a member of the household,*
19 *whether adult or minor, with a disabling condition; or*

20 *(b) A person who is an immediate family member of a person*
21 *described in paragraph (a).*

22 **Sec. 12.** *“Supportive services” means services available to a*
23 *person with a disabling condition or to his or her immediate*
24 *family, including, without limitation:*

25 *1. Case management and intensive services delivered in the*
26 *household or through care coordination related to physical and*
27 *behavioral health, treatment for and recovery from addictive*
28 *disorders, recovery from trauma, management of a chronic*
29 *disease or management of an intellectual, developmental or*
30 *physical disability; and*

31 *2. Other tenancy supports.*

32 **Sec. 13.** *1. “Very low income housing” means housing:*

33 *(a) For a household that has a total monthly gross income that*
34 *is equal to not more than 50 percent of the median monthly gross*
35 *household income for the county in which the housing is located;*
36 *and*

37 *(b) Which, including the cost of utilities, costs not more than*
38 *30 percent of the total monthly gross household income of the*
39 *household to which the housing is provided.*

40 *2. For the purposes of this section, median monthly gross*
41 *household income must be determined based upon the estimates of*
42 *the United States Department of Housing and Urban Development*
43 *of the most current median monthly gross family income for the*
44 *county in which the housing is located.*



1 **Sec. 14. 1.** *The Critical Needs Fund is hereby created in*
2 *the State Treasury. The Division shall administer the Critical*
3 *Needs Fund.*

4 2. *Money in the Fund must be expended in the manner*
5 *prescribed by sections 2 to 20, inclusive, of this act, and any*
6 *regulations adopted thereto.*

7 3. *The interest and income earned on the money in the Fund,*
8 *after deducting any applicable charges, must be credited to the*
9 *Fund. Any money remaining in the Fund at the end of the fiscal*
10 *year does not revert to the State General Fund, and the balance in*
11 *the Fund must be carried forward to the next fiscal year.*

12 4. *All money that is collected for the use of the Fund from*
13 *any source, including, without limitation, pursuant to subsection 7*
14 *or NRS 375.020 or from legislative appropriation, must be*
15 *deposited in the State Treasury for credit to the Fund.*

16 5. *All claims against the Fund must be paid as other claims*
17 *against the State are paid.*

18 6. *The Division may not use more than 10 percent of the*
19 *money in the Fund to administer the Fund.*

20 7. *The Division may apply for and accept any gift, donation,*
21 *bequest, grant or other source of money for the purposes of*
22 *providing rental assistance and home repair assistance for very*
23 *low income housing, supportive housing and supportive services*
24 *in accordance with sections 2 to 20, inclusive, of this act. Any*
25 *money so received must be deposited in the State Treasury for*
26 *credit to the Fund.*

27 **Sec. 15. 1.** *The Division shall, on or before July 1 of each*
28 *year:*

29 (a) *Determine the total amount of money in the Fund which is*
30 *available for use within all behavioral health regions in this State*
31 *combined;*

32 (b) *Determine the amount of money in the Fund which is*
33 *available for use within each behavioral health region in this*
34 *State; and*

35 (c) *Report to each policy board the amounts determined in*
36 *paragraphs (a) and (b).*

37 2. *In making a determination pursuant to paragraph (b) of*
38 *subsection 1, the Division shall allocate:*

39 (a) *At least \$500,000 or one-fifth of the total money*
40 *determined to be available pursuant to paragraph (a) of subsection*
41 *1, whichever is less, for use in each behavioral health region; and*

42 (b) *Any additional money determined to be available pursuant*
43 *to paragraph (a) of subsection 1 among the behavioral health*
44 *regions in proportion to the current populations of the behavioral*
45 *health regions.*



1 3. *Each policy board shall, within 30 days after receipt of the*
2 *report submitted by the Division pursuant to paragraph (c) of*
3 *subsection 1:*

4 (a) *Determine an amount of money, which must be equal to or*
5 *greater than 25 percent of the money allocated pursuant to*
6 *subsection 2 for use in the behavioral health region for which the*
7 *policy board was created, to allocate toward rental assistance or*
8 *home repair assistance for very low income housing;*

9 (b) *Determine an amount of money, which must be equal to or*
10 *greater than 25 percent of the money allocated pursuant to*
11 *subsection 2 for use in the behavioral health region for which the*
12 *policy board was created, to allocate toward supportive housing*
13 *and supportive services; and*

14 (c) *Report to the Division the amounts determined pursuant to*
15 *paragraphs (a) and (b).*

16 4. *The Division shall, upon receipt of the report submitted by*
17 *a policy board pursuant to paragraph (c) of subsection 3:*

18 (a) *Distribute the money allocated by the policy board toward*
19 *rental assistance or home repair assistance for very low income*
20 *housing in accordance with section 16 of this act; and*

21 (b) *Prioritize and distribute the money allocated by the policy*
22 *board toward supportive housing and supportive services in*
23 *accordance with section 17 of this act.*

24 5. *As used in this section, "population" means the current*
25 *population estimate for the counties within a behavioral health*
26 *region as determined and published by the Department of*
27 *Taxation and the demographer employed pursuant to*
28 *NRS 360.283.*

29 **Sec. 16.** 1. *The Division shall distribute the money*
30 *allocated by each policy board pursuant to paragraph (a) of*
31 *subsection 3 of section 15 of this act to the housing authorities*
32 *whose area of operation includes any part of the behavioral health*
33 *region for which the policy board was established.*

34 2. *Upon receiving money from the Division pursuant to*
35 *subsection 1, a housing authority shall distribute the money to*
36 *households in the applicable behavioral health region for the*
37 *purpose of providing rental assistance and home repair assistance*
38 *for very low income housing. When making such a distribution, a*
39 *housing authority shall prioritize households with the lowest*
40 *income.*

41 3. *In order to receive assistance pursuant to subsection 2, a*
42 *household must provide evidence to the housing authority*
43 *awarding the assistance that the household:*

44 (a) *Has made at least one application for another source of*
45 *assistance for which the household or person is eligible including,*



1 *without limitation, from the Housing Choice Voucher Program or*
2 *the Veterans Affairs Supportive Housing Program pursuant to 42*
3 *U.S.C. § 1437f and any regulations adopted pursuant thereto or*
4 *any successor program, or from the Aging and Disability Services*
5 *Division of the Department; or*

6 *(b) Is not eligible to receive any assistance described in*
7 *paragraph (a).*

8 **Sec. 17.** *The Division shall distribute the money allocated by*
9 *each policy board pursuant to paragraph (b) of subsection 3 of*
10 *section 15 of this act in the following order of priority:*

11 *1. First, to itself for the purpose of awarding grants pursuant*
12 *to section 18 of this act to provide assistance to supportive housing*
13 *projects within the applicable behavioral health region; and*

14 *2. Second, to the Department for the purpose of awarding*
15 *grants pursuant to section 19 of this act to provide supportive*
16 *services within the applicable behavioral health region.*

17 **Sec. 18.** *1. The Division shall use the money described in*
18 *subsection 1 of section 17 of this act to award competitive grants*
19 *subject to the provisions of section 20 of this act to provide rental*
20 *assistance to supportive housing projects within the applicable*
21 *behavioral health region in order to ensure the financial*
22 *sustainability of such projects.*

23 *2. The Division shall adopt regulations prescribing the*
24 *process for awarding competitive grants pursuant to this section,*
25 *including, without limitation, the process to apply for such a*
26 *grant. The regulations must require:*

27 *(a) An annual performance review of each person or entity to*
28 *whom a grant is awarded; and*

29 *(b) The renewal of a grant at least every 3 years.*

30 **Sec. 19.** *1. The Department shall use the money described*
31 *in subsection 2 of section 17 of this act to award competitive*
32 *grants subject to the provisions of section 20 of this act, in*
33 *approximately equal amounts, to provide supportive services:*

34 *(a) In conjunction with supportive housing projects within the*
35 *applicable behavioral health region; and*

36 *(b) For persons who do not reside in supportive housing*
37 *projects within the applicable behavioral health region.*

38 *2. The Department shall adopt regulations prescribing the*
39 *process for awarding competitive grants pursuant to this section,*
40 *including, without limitation, the process to apply for such a*
41 *grant. The regulations must require:*

42 *(a) An annual performance review of each person or entity to*
43 *whom a grant is awarded; and*

44 *(b) The renewal of a grant at least every 3 years.*



1 **Sec. 20. 1.** *A person or entity to which a grant is awarded*
2 *pursuant to section 18 or 19 of this act may make commitments of*
3 *not more than 10 years with regard to the use of the money. Such*
4 *a commitment is contingent on the availability of funds, the*
5 *outcome of the annual performance reviews conducted pursuant*
6 *to section 18 or 19, as applicable, of this act, and the successful*
7 *renewal of the grant.*

8 **2.** *A grant awarded pursuant to section 18 or 19 of this act*
9 *must require a person or entity that wishes to receive such*
10 *assistance to provide evidence to the grantee that the person or*
11 *entity:*

12 **(a)** *Has made at least one application for another source of*
13 *assistance for which the person or entity is eligible including,*
14 *without limitation, from the Housing Choice Voucher Program or*
15 *the Veterans Affairs Supportive Housing Program pursuant to 42*
16 *U.S.C. § 1437f and any regulations adopted pursuant thereto or*
17 *any successor program, or from the Aging and Disability Services*
18 *Division of the Department; or*

19 **(b)** *Is not eligible to receive any assistance described in*
20 *paragraph (a).*

21 **Sec. 21.** NRS 375.020 is hereby amended to read as follows:

22 375.020 1. A tax, at the rate of:

23 **(a)** In a county whose population is 700,000 or more, ~~[\$1.25;]~~
24 ~~\$1.45;~~ and

25 **(b)** In a county whose population is less than 700,000, ~~[65]~~ 85
26 cents,

27 ↪ for each \$500 of value or fraction thereof, is hereby imposed on
28 each deed by which any lands, tenements or other realty is granted,
29 assigned, transferred or otherwise conveyed to, or vested in, another
30 person, or land sale installment contract, if the consideration or
31 value of the interest or property conveyed exceeds \$100.

32 **2.** The amount of tax must be computed on the basis of the
33 value of the transferred real property as declared pursuant to
34 NRS 375.060.

35 **Sec. 22.** NRS 375.070 is hereby amended to read as follows:

36 375.070 1. The county recorder shall transmit the proceeds of
37 the tax imposed by NRS 375.020 at the end of each quarter in the
38 following manner:

39 **(a)** An amount equal to that portion of the proceeds which is
40 equivalent to 10 cents for each \$500 of value or fraction thereof
41 must be transmitted to the State Controller who shall deposit that
42 amount in the Account for Affordable Housing created pursuant to
43 NRS 319.500.

44 **(b)** *An amount equal to that portion of the proceeds which is*
45 *equivalent to 20 cents for each \$500 of value or fraction thereof*



1 *must be transmitted to the State Controller who shall deposit that*
2 *amount in the Critical Needs Fund created by section 14 of this*
3 *act.*

4 (c) In a county whose population is 700,000 or more, an amount
5 equal to that portion of the proceeds which is equivalent to 60 cents
6 for each \$500 of value or fraction thereof must be transmitted to the
7 county treasurer for deposit in the county school district's fund for
8 capital projects established pursuant to NRS 387.328, to be held and
9 expended in the same manner as other money deposited in that fund.

10 ~~((e))~~ (d) The remaining proceeds must be transmitted to the
11 State Controller for deposit in the Local Government Tax
12 Distribution Account created by NRS 360.660 for credit to the
13 respective accounts of Carson City and each county.

14 2. In addition to any other authorized use of the proceeds it
15 receives pursuant to subsection 1, a county or city may use the
16 proceeds to pay expenses related to or incurred for the development
17 of tier one affordable housing and tier two affordable housing. A
18 county or city that uses the proceeds in that manner must give
19 priority to the development of tier one affordable housing and tier
20 two affordable housing for persons who are elderly or persons with
21 disabilities.

22 3. The expenses authorized by subsection 2 include, but are not
23 limited to:

- 24 (a) The costs to acquire land and developmental rights;
- 25 (b) Related predevelopment expenses;
- 26 (c) The costs to develop the land, including the payment of
27 related rebates;
- 28 (d) Contributions toward down payments made for the purchase
29 of affordable housing; and
- 30 (e) The creation of related trust funds.

31 4. As used in this section:

32 (a) "Tier one affordable housing" has the meaning ascribed to it
33 in NRS 278.01902.

34 (b) "Tier two affordable housing" has the meaning ascribed to it
35 in NRS 278.01906.

36 **Sec. 23.** NRS 433.4295 is hereby amended to read as follows:

37 433.4295 1. Each policy board shall:

38 (a) Advise the Department, Division and Commission regarding:
39 (1) The behavioral health needs of adults and children in the
40 behavioral health region;

41 (2) Any progress, problems or proposed plans relating to the
42 provision of behavioral health services and methods to improve the
43 provision of behavioral health services in the behavioral health
44 region;



1 (3) Identified gaps in the behavioral health services which
2 are available in the behavioral health region and any
3 recommendations or service enhancements to address those gaps;

4 (4) Any federal, state or local law or regulation that relates to
5 behavioral health which it determines is redundant, conflicts with
6 other laws or is obsolete and any recommendation to address any
7 such redundant, conflicting or obsolete law or regulation; and

8 (5) Priorities for allocating money to support and develop
9 behavioral health services in the behavioral health region.

10 (b) Promote improvements in the delivery of behavioral health
11 services in the behavioral health region.

12 (c) Coordinate and exchange information with the other policy
13 boards to provide unified and coordinated recommendations to the
14 Department, Division and Commission regarding behavioral health
15 services in the behavioral health region.

16 (d) Review the collection and reporting standards of behavioral
17 health data to determine standards for such data collection and
18 reporting processes.

19 (e) To the extent feasible, establish an organized, sustainable
20 and accurate electronic repository of data and information
21 concerning behavioral health and behavioral health services in the
22 behavioral health region that is accessible to members of the public
23 on an Internet website maintained by the policy board. A policy
24 board may collaborate with an existing community-based
25 organization to establish the repository.

26 (f) To the extent feasible, track and compile data concerning
27 persons placed on a mental health crisis hold pursuant to NRS
28 433A.160, persons admitted to mental health facilities and hospitals
29 under an emergency admission pursuant to NRS 433A.162, persons
30 admitted to mental health facilities under an involuntary court-
31 ordered admission pursuant to NRS 433A.200 to 433A.330,
32 inclusive, and persons ordered to receive assisted outpatient
33 treatment pursuant to NRS 433A.335 to 433A.345, inclusive, in the
34 behavioral health region, including, without limitation:

35 (1) The outcomes of treatment provided to such persons; and

36 (2) Measures taken upon and after the release of such
37 persons to address behavioral health issues and prevent future
38 mental health crisis holds and admissions.

39 (g) If a data dashboard is established pursuant to NRS 439.245,
40 use the data dashboard to review access by different groups and
41 populations in this State to behavioral health services provided
42 through telehealth, as defined in NRS 629.515, and evaluate policies
43 to make such access more equitable.

44 (h) Identify and coordinate with other entities in the behavioral
45 health region and this State that address issues relating to behavioral



1 health to increase awareness of such issues and avoid duplication of
2 efforts.

3 (i) In coordination with existing entities in this State that address
4 issues relating to behavioral health services, submit an annual report
5 to the Commission which includes, without limitation:

6 (1) The specific behavioral health needs of the behavioral
7 health region;

8 (2) A description of the methods used by the policy board to
9 collect and analyze data concerning the behavioral health needs and
10 problems of the behavioral health region and gaps in behavioral
11 health services which are available in the behavioral health region,
12 including, without limitation, a list of all sources of such data used
13 by the policy board;

14 (3) A description of the manner in which the policy board
15 has carried out the requirements of paragraphs (c) and (h) and the
16 results of those activities; and

17 (4) The data compiled pursuant to paragraph (f) and any
18 conclusions that the policy board has derived from such data.

19 *(j) Allocate money from the Critical Needs Fund to support*
20 *very low income housing and supportive housing and supportive*
21 *services for use in the behavioral health region for which the*
22 *policy board was created, as provided in section 15 of this act.*

23 2. A report described in paragraph (i) of subsection 1 may be
24 submitted more often than annually if the policy board determines
25 that a specific behavioral health issue requires an additional report
26 to the Commission.

27 **Sec. 24.** 1. Notwithstanding the provisions of section 15 of
28 this act, the Housing Division of the Department of Business and
29 Industry shall provide the initial report described in paragraph (c) of
30 subsection 1 of section 15 of this act to each policy board in this
31 State on or before July 1, 2024.

32 2. As used in this section, "policy board" has the meaning
33 ascribed to it in section 10 of this act.

34 **Sec. 25.** 1. This section becomes effective upon passage and
35 approval.

36 2. Sections 1 to 24, inclusive, of this act become effective:

37 (a) Upon passage and approval for the purpose of adopting any
38 regulations and performing any other preparatory administrative
39 tasks that are necessary to carry out the provisions of this act; and

40 (b) On October 1, 2023, for all other purposes.



