ASSEMBLY BILL NO. 527–ASSEMBLYMEN PARKS, SEGERBLOM, MORTENSON, BACHE, GIUNCHIGLIANI, THOMAS, BUCKLEY, OHRENSCHALL, CHOWNING, COLLINS, MANENDO, WILLIAMS, MCCLAIN, CLABORN, DE BRAGA, HUMKE, HETTRICK, CEGAVSKE, PERKINS, LEE, NEIGHBORS, BERMAN, GIBBONS, MARVEL AND PRICE

MARCH 15, 1999

Referred to Committee on Taxation

SUMMARY—Revises provisions regarding bonding for facilities of University and Community College System of Nevada. (BDR S-1283)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State or on Industrial Insurance: No.

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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 the University and Community College System of Nevada; authorizing the financing of campus facilities required or desired by the master plans at the University of Nevada, Las Vegas, and the University of Nevada, Reno, with revenue bonds issued pursuant to chapter 501, Statutes of Nevada 1991; increasing the maximum amount authorized for those bonds; increasing the time within which those bonds may be issued; authorizing the issuance of bonds for the construction of a dental school; including any revenue derived from dental services provided at a facility of the system within the definition of "pledged revenues" for the purposes of the University Securities Law; and providing other matters properly relating thereto.

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

Section 1. Section 4 of chapter 501, Statutes of Nevada 1991, as last amended by section 1 of chapter 93, Statutes of Nevada 1995, at page 112, is hereby amended to read as follows:

Sec. 4. "Project" means the construction, ***land and*** other acquisition, rehabilitation and improvement, or any combination thereof, of additional:

1. Student housing and dining facilities required or desired by the university at the University of Nevada, Reno, and University of Nevada, Las Vegas; ~~[and]~~

2. Parking facilities required or desired by the university at the University of Nevada, Reno, and University of Nevada, Las Vegas ~~[,]~~ ***; and***

3. Campus facilities required or desired by university master plans at the University of Nevada, Las Vegas, and the University of Nevada, Reno,

equipment and furnishings therefor, and other appurtenances relating thereto as specified in a resolution of the board adopted pursuant to this act.

Sec. 2. Section 5 of chapter 501, Statutes of Nevada 1991, as last amended by section 2 of chapter 93, Statutes of Nevada 1995, at page 112, is hereby amended to read as follows:

Sec. 5. 1. The board, on behalf and in the name of the university, is authorized by this act, as supplemented by the provisions of the University Securities Law:

(a) To finance the project by the issuance of bonds and other securities of the university in a total principal amount not exceeding ~~[$12,000,000]~~ ***$25,000,000*** for facilities at the University of Nevada, Reno, and in a total principal amount not exceeding ~~[$17,500,000]~~ ***$67,500,000*** for facilities at the University of Nevada, Las Vegas ~~[;]~~ ***, $35,000,000 of which may be used for the construction, other acquisition and improvement of a dental school and other structures and clinics associated with the dental school.***

(b) To issue such bonds and other securities in connection with the projects in one series or more at any time or from time to time within ~~[9]~~ ***18*** years after the effective date of this act, as the board may determine, and consisting of special obligations of the university payable from the net pledged revenues authorized by this act possible subsequently other net pledged revenues, secured by a pledge thereof and a lien thereon, subject to existing contractual limitations, and subject to the limitation in paragraph (a);

(c) To employ legal, fiscal and other expert services and to defray the costs thereof with any money available therefor, including, proceeds of securities authorized by this act; and

(d) To exercise the incidental powers provided in this University Securities Law in connection with the powers authorized by this act except as otherwise expressly provided in this act.

2. If the board determines to sell the bonds authorized by subsection 1 at a discount from their face amount, the principal

amount of bonds which the board is authorized to issue provided in subsection 1 is increased by an amount equal to the discount at which the bonds are sold.

3. This act does not limit the board in funding, refunding or reissuing any securities of the university or the board at any time as provided in the University Securities Law.

Sec. 3. 1. The board of regents of the University of Nevada may, on behalf and in the name of the university, finance the construction, other acquisition and improvement of a dental school and other structures and clinics associated with the dental school at the University of Nevada, Las Vegas, by the issuance of bonds and other securities of the university in a total principal amount not exceeding $35,000,000. The bonds and other securities may be issued at one time or from time to time, within 5 years after the effective date of this act and, except as otherwise provided in this section, must be issued in accordance with the provisions of the University Securities Law. The total principal amount of any bonds issued pursuant to this section and pursuant to chapter 501, Statutes of Nevada 1991, as amended, for this purpose must not exceed $35,000,000.

2. The bonds or other securities issued pursuant to subsection 1 must be secured by a pledge of the revenues derived from or otherwise pertaining to the imposition and collection of fees for dental services provided at a facility for the University of Nevada, Las Vegas.

3. The provisions of this section do not limit the board in funding, refunding or reissuing any securities of the university or the board at any time as provided in the University Securities Law.

4. Any bonds or other securities issued pursuant to this section must not be considered to be obligations general, special, or otherwise of the state, or to be securities of debt of the state, and are not enforceable against the state.

Sec. 4. NRS 396.828 is hereby amended to read as follows:

396.828 "Pledged revenues" means the money pledged wholly or in part for the payment of bonds or other securities issued hereunder, and, subject to any existing pledges or other contractual limitations, may include at the board's discretion, all loans, grants or contributions to the university or board, if any, conditional or unconditional, from the Federal Government, the state, any public body or other donor for the payment of the principal of, the interest on, and any prior redemption premiums due in connection with any securities issued hereunder, or any combination thereof, and may include income or money derived from one, all or any combination of the following sources of revenue, including , without limitation , student fees and other fees, rates and charges appertaining thereto:

1. Dormitories, apartments and other facilities for housing;
2. Cafeterias, dining halls and other facilities for food service;
3. Student union and other facilities for student activities;
4. Store or other facilities for the sale or lease of books, stationery, student supplies, faculty supplies, office supplies and like material;
5. Stadium, arena, theater, fieldhouse and other athletic or recreational facilities for use in part by spectators or otherwise;
6. Land and any structures, other facilities, or other improvements thereon used or available for use for the parking of vehicles used for the transportation by land or air of persons to or from such land and any improvements thereon;
7. Properties for providing heat or any other utility furnished by the university or the board to any facilities on its campus;
8. Investments and reinvestments of unrestricted endowments; ~~[and]~~
9. ***Any revenue derived from or otherwise pertaining to the imposition and collection of fees for dental services provided at a facility of the university; and***

10. Facilities of the desert research institute, including ***,*** without limitation ***,*** money from:

(a) Grants to the desert research institute by any person or the Federal Government;

(b) Contracts and leases between the desert research institute and any person or governmental entity;

(c) The investment of any money of the desert research institute; and

(d) Any other revenue received by the desert research institute, or by the board on behalf of the desert research institute pursuant to NRS 396.795 to 396.7956, inclusive.

Sec. 5. It is the intent of the Legislature in enacting section 3 of this act that gifts, grants, donations and clinical fees be used to pay the principal and interest on the bonds issued pursuant to section 3 of this act for the construction and operation of the facilities authorized by the section. This act does not obligate the use of money from the state general fund other than any portion of the clinical fees that is derived from money appropriated for Nevada Medicaid or the Children’s Health Insurance Program.

Sec. 6. This act becomes effective upon passage and approval.

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