

ASSEMBLY JOINT RESOLUTION NO. 7—COMMITTEE ON  
GOVERNMENT AFFAIRS

FEBRUARY 15, 1999

Referred to Committee on Constitutional Amendments

SUMMARY—Proposes to amend Nevada Constitution to exempt state contracts for improvement, acquisition and construction of facilities for schools from state debt limit. (BDR C-1402)

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 ~~for omitted material~~ is material to be omitted.

ASSEMBLY JOINT RESOLUTION—Proposing to amend the Constitution of the State of Nevada to exempt state contracts for the improvement, acquisition and construction of facilities for schools from the limit on general borrowing by the state.

1 RESOLVED BY THE ASSEMBLY AND SENATE OF THE STATE OF NEVADA,  
2 JOINTLY, That section 3 of article 9 of the Constitution of the State of  
3 Nevada be amended to read as follows:  
4 Sec. 3. ***1.*** The state may contract public debts; but such debts shall  
5 never, in the aggregate, exclusive of interest, exceed the sum of two per  
6 cent of the assessed valuation of the state, as shown by the reports of the  
7 county assessors to the state controller, except for the purpose of defraying  
8 extraordinary expenses, as hereinafter mentioned. Every such debt shall be  
9 authorized by law for some purpose or purposes, to be distinctly specified  
10 therein; and every such law shall provide for levying an annual tax  
11 sufficient to pay the interest semiannually, and the principal within twenty  
12 years from the passage of such law, and shall specially appropriate the  
13 proceeds of said taxes to the payment of said principal and interest; and  
14 such appropriation shall not be repealed nor the taxes postponed or  
15 diminished until the principal and interest of said debts shall have been  
16 wholly paid. Every contract of indebtedness entered into or assumed by or  
17 on behalf of the state, when all its debts and liabilities amount to said sum  
18 before mentioned, shall be void and of no effect, except in cases of money

1 borrowed to repel invasion, suppress insurrection, defend the state in time  
2 of war, or, if hostilities be threatened, provide for the public defense.

3 2. The state, notwithstanding the foregoing limitations, may, pursuant  
4 to authority of the legislature, make and enter into any and all contracts  
5 necessary, expedient or advisable for ~~the~~ :

6 (a) *The* protection and preservation of any of its property or natural  
7 resources, or for the purposes of obtaining the benefits thereof ~~H~~ ; and

8 (b) *The improvement, acquisition and construction of facilities for*  
9 *schools,*

10 however arising and whether arising by or through any undertaking or  
11 project of the United States or by or through any treaty or compact between  
12 the states, or otherwise.

13 The legislature may from time to time make such appropriations as may be  
14 necessary to carry out the obligations of the state under such contracts, and  
15 shall levy such tax as may be necessary to pay the same or carry them into  
16 effect.

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