

SENATE BILL NO. 470—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF LEGISLATIVE COMMITTEE TO STUDY THE DISTRIBUTION AMONG
LOCAL GOVERNMENTS OF REVENUE
FROM STATE AND LOCAL TAXES)

MARCH 18, 1999

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to debt management commissions. (BDR 30-707)

FISCAL NOTE: Effect on Local Government: Yes.
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 debt management commissions; authorizing the provision of staff or technical assistance to the commissions; establishing certain qualifications for members of the commissions; providing for the removal of members of the commissions in certain circumstances; and providing other matters properly relating thereto.

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

- 1 **Section 1.** Chapter 350 of NRS is hereby amended by adding thereto a
2 new section to read as follows:
3 ***1. The commission in a county whose population is less than 30,000***
4 ***may request such technical assistance from the department of taxation as***
5 ***is necessary to carry out the duties of the commission.***
6 ***2. The board of county commissioners of a county whose population***
7 ***is 30,000 or more shall provide the commission in that county with such***
8 ***staff as is necessary to carry out the duties of the commission. The staff***
9 ***provided to the commission pursuant to this subsection shall provide***
10 ***such technical assistance to the commission as the commission requires,***
11 ***except the staff shall not render an opinion on the merits of any proposal***
12 ***or other matter before the commission.***

1 **Sec. 2.** NRS 350.001 is hereby amended to read as follows:

2 350.001 As used in NRS 350.002 to 350.006, inclusive, *and section 1*
3 *of this act*, unless the context otherwise requires:

4 1. “Commission” means a debt management commission created
5 pursuant to NRS 350.002.

6 2. “General obligation debt” means debt which is legally payable from
7 general revenues, as a primary or secondary source of repayment, and is
8 backed by the full faith and credit of a governmental entity. The term
9 includes debt represented by local government securities issued pursuant to
10 this chapter except debt created for medium-term obligations pursuant to
11 NRS 350.089 to 350.095, inclusive.

12 3. “Special elective tax” means a tax imposed pursuant to NRS
13 354.59817, 354.5982, 387.197, 387.3285 or 387.3287.

14 **Sec. 3.** NRS 350.002 is hereby amended to read as follows:

15 350.002 1. There is hereby created in each county a debt
16 management commission, to be composed of one representative of the
17 county, one representative of the school district and the following
18 additional representatives:

19 (a) In each county which contains more than one incorporated city:

20 (1) One representative of the city in which the county seat is located;

21 (2) One representative of the other incorporated cities jointly; and

22 (3) One representative of the public at large.

23 (b) In each county which contains one incorporated city:

24 (1) One representative of the incorporated city; and

25 (2) Two representatives of the public at large.

26 (c) In each county which contains no incorporated city, one
27 representative of the public at large.

28 (d) In each county which contains one or more general improvement
29 districts, one representative of the district or districts jointly and one
30 additional representative of the public at large.

31 2. In Carson City, there is hereby created a debt management
32 commission, to be composed of one representative of the board of
33 supervisors, one representative of the school district and three
34 representatives of the public at large. The representative of the board of
35 supervisors and the representative of the school district shall select the
36 representatives of the public at large, and for that purpose only, constitute a
37 quorum of the debt management commission. Members of the commission
38 serve for a term of 2 years beginning on January 1, or until their successors
39 are chosen.

40 3. Each representative of a single local government must be chosen by
41 its governing body. Each representative of two or more local governments
42 must be chosen by their governing bodies jointly, each governing body

1 having one vote. Each representative of the general improvement districts
2 must be chosen by their governing bodies jointly, each governing body
3 having one vote. Each representative of the public at large must be chosen
4 by the other members of the commission from residents of the county, or
5 Carson City, as the case may be, who have a knowledge of its financial
6 structure. A tie vote must be resolved by lot.

7 4. *A person appointed as a member of the commission in a county*
8 *whose population is 50,000 or more must have at least 5 years of*
9 *experience in the field of public administration, public accounting or*
10 *banking.*

11 5. *A person appointed as a member of the commission shall not have*
12 *a substantial financial interest in the ownership or negotiation of*
13 *securities issued by this state or any of its political subdivisions.*

14 6. Members of the commission or their successors must be chosen in
15 January of each odd-numbered year and hold office for a term of 2 years
16 beginning January 1, except the representatives of incorporated cities, who
17 must be chosen after elections are held in the cities but before the annual
18 meeting of the commission in July.

19 ~~5.7~~ 7. Any vacancy must be filled in the same manner as the original
20 choice was made for the remainder of the unexpired term.

21 **Sec. 4.** NRS 350.003 is hereby amended to read as follows:

22 350.003 1. The commission shall meet during the month of February
23 of each year, to organize by selecting a chairman and vice chairman. The
24 county clerk is ex officio the secretary of the commission.

25 2. In addition to the organizational meeting, each commission shall
26 meet annually in July of each year and at the call of the chairman whenever
27 business is presented, as provided in NRS 350.004 and 350.005.

28 3. In conjunction with the meetings required by subsections 1 and 2,
29 the commission in a county whose population:

30 (a) Is 100,000 or more but less than 400,000, shall meet each calendar
31 quarter.

32 (b) Is 400,000 or more, shall meet each month.

33 The meetings required by this subsection must be scheduled at each annual
34 meeting in July.

35 4. *The appointing authority may remove a member of a commission*
36 *in a county whose population:*

37 (a) *Is 400,000 or more if the member fails to attend three consecutive*
38 *meetings or five meetings during a calendar year.*

39 (b) *Is 100,000 or more but less than 400,000 if the member fails to*
40 *attend two consecutive meetings or three meetings during a calendar*
41 *year.*

1 (c) *Is less than 100,000 if the member fails to attend at least one*
2 *meeting during a calendar year.*

3 5. Except as otherwise provided in subsection 2 of NRS 350.002, a
4 majority of the members constitutes a quorum for all purposes.

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