

SENATE BILL NO. 48—COMMITTEE ON GOVERNMENT AFFAIRS

PREFILED JANUARY 27, 1999

(ON BEHALF OF LEGISLATIVE COMMITTEE ON EDUCATION)

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing funds to stabilize operation of local government.
(BDR 31-864)

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.

AN ACT relating to local governments; authorizing an increase in the funds to stabilize the operation of local government for certain school districts; excluding certain money from the limit on transfers from the general fund to the fund to stabilize the operation of local government; 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.** NRS 354.6115 is hereby amended to read as follows:
2 354.6115 1. The governing body of a local government may, by
3 resolution, establish a fund to stabilize the operation of the local
4 government.
5 2. The money in the fund must be used only if the total actual revenue
6 of the local government falls short of the total anticipated revenue in the
7 general fund for the fiscal year in which the local government uses that
8 money. The money in the fund at the end of the fiscal year may not revert to
9 any other fund or be a surplus for any purpose other than the purpose
10 specified in this subsection.
11 3. ~~The~~ ***Except as otherwise provided in subsection 4, the*** balance in
12 the fund must not exceed 10 percent of the expenditures from the general
13 fund for the previous fiscal year, excluding any federal ~~funds~~ ***money***
14 expended by the local government.

1 ***4. If the board of trustees of a school district has established such a***
2 ***fund and the school district is located in a county in which at least 25***
3 ***percent of the revenue in the general fund attributable to the levy of***
4 ***property taxes was, for each of the immediately preceding 2 fiscal years,***
5 ***derived from the proceeds from the tax on the net proceeds of minerals,***
6 ***the balance in the fund must not exceed 15 percent of the expenditures***
7 ***from the general fund for the previous fiscal year, excluding any federal***
8 ***money expended by the local government, or \$2,000,000, whichever is***
9 ***less. In no case may the balance in the fund be increased annually by an***
10 ***amount that exceeds 10 percent of the expenditures from the general fund***
11 ***for the previous fiscal year, excluding any federal money expended by the***
12 ***local government.***

13 **Sec. 2.** NRS 354.6117 is hereby amended to read as follows:

14 354.6117 1. Except as otherwise provided in ~~subsection 2,~~
15 ***subsections 2 and 3,*** the total amount of money which may be transferred in
16 a fiscal year from the general fund of a local government to the funds
17 established pursuant to NRS 354.611, 354.6113 and 354.6115 must not
18 exceed 10 percent of the total amount of the budgeted expenditures of the
19 general fund, plus any money transferred from the general fund, other than
20 the money transferred to those funds, for that fiscal year.

21 2. Any money that a local government, pursuant to NRS 354.6116,
22 deposits in or transfers to one or more of the funds established by the local
23 government pursuant to NRS 354.611, 354.6113 or 354.6115:

24 (a) Is not subject to the limitation on the amount of money that a local
25 government may transfer to those funds pursuant to subsection 1.

26 (b) Must not be included in the determination of the total amount of
27 money transferred to those funds for the purposes of the limitation set forth
28 in subsection 1.

29 ***3. Any money that the board of trustees of a school district, pursuant***
30 ***to subsection 4 of NRS 354.6115, deposits in or transfers to the fund***
31 ***established by the board of trustees pursuant to NRS 354.6115:***

32 ***(a) Is not subject to the limitation on the amount of money that a local***
33 ***government may transfer to those funds pursuant to subsection 1.***

34 ***(b) Must not be included in the determination of the total amount of***
35 ***money transferred to those funds for the purposes of the limitation set***
36 ***forth in subsection 1.***

37 **Sec. 3.** This act becomes effective upon passage and approval.