SENATE JOINT RESOLUTION NO. 8–COMMITTEE ON GOVERNMENT AFFAIRS

FEBRUARY 11, 1999

Referred to Committee on Human Resources and Facilities

SUMMARY—Proposes to amend Nevada Constitution to allow state to borrow money on behalf of and accept deposits from local school districts for construction of facilities for schools without affecting state debt limit. (BDR C-200)

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.

SENATE JOINT RESOLUTION—Proposing to amend the Nevada Constitution to allow the state to borrow money on behalf of and accept deposits from local school districts for the construction of facilities for schools without affecting the limit on general borrowing by the state.

RESOLVED BY THE SENATE AND ASSEMBLY OF THE STATE OF NEVADA, JOINTLY, That section 3 of article 9 of the Constitution of the State of Nevada be amended to read as follows:

Sec. 3. ***1.*** The state may contract public debts; but such debts shall never, in the aggregate, exclusive of interest, exceed the sum of two per cent of the assessed valuation of the state, as shown by the reports of the county assessors to the state controller, except for the purpose of defraying extraordinary expenses, as hereinafter mentioned. Every such debt shall be authorized by law for some purpose or purposes, to be distinctly specified therein; and every such law shall provide for levying an annual tax sufficient to pay the interest semiannually, and the principal within twenty years from the passage of such law, and shall specially appropriate the proceeds of said taxes to the payment of said principal and interest; and such appropriation shall not be repealed nor the taxes postponed or diminished until the principal and interest of said debts shall have been wholly paid. Every contract of indebtedness entered into or assumed by or on behalf of the state, when all its debts and liabilities amount to said sum before mentioned, shall be void and of no effect, except in cases of money borrowed to repel invasion, suppress insurrection, defend the state in time of war, or, if hostilities be threatened, provide for the public defense.

2. The state, notwithstanding the foregoing limitations, may, pursuant to authority of the legislature, make and enter into any and all contracts necessary, expedient or advisable for the protection and preservation of any of its property or natural resources, or for the purposes of obtaining the benefits thereof, however arising and whether arising by or through any undertaking or project of the United States or by or through any treaty or compact between the states, or otherwise. The legislature may from time to time make such appropriations as may be necessary to carry out the obligations of the state under such contracts, and shall levy such tax as may be necessary to pay the same or carry them into effect.

3. The legislature may provide by law for the borrowing of money by the state on behalf of a local school district for the construction of facilities for schools and for the acceptance and investment of money deposited by a local school district for that purpose. Neither money so borrowed nor money so deposited is to be counted in computing the aggregate debts of the state for the purposes of subsection 1.

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