

ASSEMBLY BILL NO. 104—ASSEMBLYWOMAN VON TOBEL

FEBRUARY 12, 2001

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning collection of charges for services provided by certain general improvement districts. (BDR 25-880)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to general improvement districts; establishing an exception to the provision which creates a lien on property to which services from certain general improvement districts are provided until fees are paid for such services; prohibiting the board of trustees of certain general improvement districts from requiring a guaranty from a landlord for the payment of services provided to a tenant; 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 318.197 is hereby amended to read as follows:
2 318.197 1. The board may fix, and from time to time increase or
3 decrease, electric energy, cemetery, swimming pool, other recreational
4 facilities, television, FM radio, sewer, water, storm drainage, flood control,
5 snow removal, lighting, garbage or refuse rates, tolls or charges other than
6 special assessments, including, but not limited to, service charges and
7 standby service charges, for services or facilities furnished by the district,
8 charges for the availability of service, annexation charges, and minimum
9 charges, and pledge the revenue for the payment of any indebtedness or
10 special obligations of the district.
11 2. ~~Upon~~ *Except as otherwise provided in this subsection, upon*
12 compliance with subsection 9 and until paid, all rates, tolls or charges
13 constitute a perpetual lien on and against the property served. A perpetual
14 lien is prior and superior to all liens, claims and titles other than liens of
15 general taxes and special assessments and is not subject to extinguishment
16 by the sale of any property on account of nonpayment of any liens, claims
17 and titles including the liens of general taxes and special assessments. A
18 perpetual lien must be foreclosed in the same manner as provided by the
19 laws of the State of Nevada for the foreclosure of mechanics' liens. Before
20 any lien is foreclosed, the board shall hold a hearing thereon after



1 providing notice thereof by publication and by registered or certified first-
2 class mail, postage prepaid, addressed to the last known owner at his last
3 known address according to the records of the district and the real property
4 assessment roll in the county in which the property is located. *The rates,
5 tolls or charges fixed by the board of a district that furnishes electric
6 light and power which are assessed for the provision of electric energy to
7 a tenant of a dwelling do not constitute a lien on and against the property
8 served.*

9 3. The board shall prescribe and enforce regulations for the connection
10 with and the disconnection from properties of the facilities of the district
11 and the taking of its services.

12 4. The board may provide for the collection of charges. Provisions
13 may be made for, but are not limited to:

14 (a) The granting of discounts for prompt payment of bills.

15 (b) The requiring of deposits or the prepayment of charges in an amount
16 not exceeding 1 year's charges from persons receiving service and using
17 the facilities of the enterprise or from the owners of property on which or
18 in connection with which services and facilities are to be used. In case of
19 nonpayment of all or part of a bill, the deposits or prepaid charges must be
20 applied only insofar as necessary to liquidate the cumulative amount of the
21 charges plus penalties and cost of collection.

22 (c) ~~The~~ *Except as otherwise provided in subsection 10, the* requiring
23 of a guaranty by the owner of property that the bills for service to the
24 property or the occupants thereof will be paid.

25 5. The board may provide for a basic penalty for nonpayment of the
26 charges within the time and in the manner prescribed by it. The basic
27 penalty must not be more than 10 percent of each month's charges for the
28 first month delinquent. In addition to the basic penalty, the board may
29 provide for a penalty of not exceeding 1.5 percent per month for
30 nonpayment of the charges and basic penalty. On the first day of the
31 calendar month following the date of payment specified in the bill the
32 charge becomes delinquent if the bill or that portion thereof which is not in
33 bona fide dispute remains unpaid. The board may provide for collection of
34 the penalties provided for in this section.

35 6. The board may provide that charges for any service must be
36 collected together with and not separately from the charges for any other
37 service rendered by it, and that all charges must be billed upon the same
38 bill and collected as one item.

39 7. The board may enter into a written contract with any person, firm or
40 public or private corporation providing for the billing and collection by the
41 person, firm or corporation of the charges for the service furnished by any
42 enterprise. If all or any part of any bill rendered by the person, firm or
43 corporation pursuant to a contract is not paid and if the person, firm or
44 corporation renders any public utility service to the person billed, the
45 person, firm or corporation may discontinue its utility service until the bill
46 is paid, and the contract between the board and the person, firm or
47 corporation may so provide.

48 8. As a remedy established for the collection of due and unpaid
49 deposits and charges and the penalties thereon an action may be brought in



* A B 1 0 4 *

1 the name of the district in any court of competent jurisdiction against the
2 person or persons who occupied the property when the service was
3 rendered or the deposit became due or against any person guaranteeing
4 payment of bills, or against any or all such persons, for the collection of the
5 amount of the deposit or the collection of delinquent charges and all
6 penalties thereon.

7 9. A lien against the property served is not effective until a notice of
8 the lien, separately prepared for each lot affected, is:

9 (a) Mailed to the last known owner at his last known address according
10 to the records of the district and the real property assessment roll of the
11 county in which the property is located;

12 (b) Delivered by the board to the office of the county recorder of the
13 county within which the property subject to such lien is located;

14 (c) Recorded by the county recorder in a book kept by him for the
15 purpose of recording instruments encumbering land; and

16 (d) Indexed in the real estate index as deeds and other conveyances are
17 required by law to be indexed.

18 *10. The board of a district which furnishes electric light and power*
19 *may not require a landlord to provide a guaranty that a bill for service to*
20 *a dwelling which is occupied by a tenant will be paid.*

21 *11. As used in this section:*

22 (a) *“Dwelling” means a structure or the part of a structure that is*
23 *occupied as, or designed or intended for occupancy as, a residence or*
24 *sleeping place by one person who maintains a household or by two or*
25 *more persons who maintain a common household.*

26 (b) *“Landlord” means a person who provides a dwelling unit for*
27 *occupancy by another pursuant to a rental agreement.*

28 (c) *“Tenant” means a person entitled pursuant to a rental agreement*
29 *to occupy a dwelling unit to the exclusion of others.*

30 **Sec. 2.** This act becomes effective upon passage and approval.

