

Assembly Bill No. 465—Assemblymen Brown, Anderson, Beers, Cegavske, Chowning, Claborn, Collins, de Braga, Gibbons, Hettrick, Lee, Manendo, Marvel, Mortenson, Nolan, Ohrenschall, Parnell, Price, Smith and Von Tobel

CHAPTER.....

AN ACT relating to transportation; authorizing the use of the proceeds of certain taxes for certain highway improvement projects located wholly or partially outside the boundaries of the State of Nevada; and providing other matters properly relating thereto.

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

Section 1. NRS 244.33512 is hereby amended to read as follows:

244.33512 In a county in which a tax has been imposed pursuant to paragraph (a) of subsection 1 of NRS 244.3351:

1. The proceeds of the tax and any applicable penalty or interest must be:

(a) Remitted to the appropriate city if collected in the incorporated area of any city and not within any transportation district created by the county, or if collected in any transportation district created by a city; or

(b) Retained by the county if collected elsewhere, and used as provided in this section.

2. Except as otherwise provided in subsection 3, if the county has created one or more transportation districts, it shall use any part of the money retained which is collected within the boundaries of a transportation district to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways, bridges and other public rights of way used primarily for vehicular or fixed guideway traffic, including, without limitation, overpass projects, street projects and underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, respectively ~~to within~~ :

(1) Within the boundaries of the district ~~for within~~ ;

(2) Within 1 mile outside ~~those~~ the boundaries of the district if the governing body finds that such projects outside the boundaries of the district will facilitate transportation within the district; or

(3) Within 30 miles outside the boundaries of the district and the boundaries of this state, where those boundaries are coterminous, if:

(I) The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and

(II) The governing body finds that such projects will provide a significant economic benefit to the district;

(b) Payment of principal and interest on notes, bonds or other obligations issued by the county to fund projects described in paragraph (a); or

(c) Any combination of those uses.

3. In addition to those uses set forth in subsection 2, if a county has created one or more transportation districts and all or any portion of those districts are located in an area that is governed by an interstate compact

entered into by this state and a state that borders this state, the county may use any part of the money retained which is collected within the boundaries of a transportation district to pay the cost of establishing, operating and maintaining a public transit system, including any improvement thereto, within the boundaries of the district, or outside those boundaries if the governing body finds that such a system outside the boundaries of the district will facilitate transportation within the district, or both.

4. If the county has entered into an agreement pursuant to NRS 277.080 to 277.170, inclusive, which contemplates later payment by the other party of a portion of the cost of a project which may be funded pursuant to subsection 2, the county may pay from retained proceeds the principal and interest on notes, bonds or other obligations issued in anticipation of that payment.

5. Any part of the money retained which is collected in the unincorporated area of the county and not within any transportation district created by the county or a city must be used for the same purposes ~~within~~ :

(a) *Within* the unincorporated area of the county ~~for within~~ ;

(b) *Within* 1 mile outside ~~that~~ *the unincorporated area of the county* if the board of county commissioners finds that such projects outside that area will facilitate transportation within that area ~~+~~ ; *or*

(c) *Within 30 miles outside the unincorporated area of the county and the boundaries of this state, where those boundaries are coterminous, if:*

(1) *The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and*

(2) *The board of county commissioners finds that such projects will provide a significant economic benefit to that area.*

6. As used in this section:

(a) "Improvement" has the meaning ascribed to it in NRS 244A.033.

(b) "Public transit system" means a system designed to facilitate the transportation of members of the general public, including:

(1) The use of motor buses, rails or any other means of conveyance, operated by whatever type of power; and

(2) An offstreet parking project or an overpass project as defined in NRS 244A.035 and 244A.037, respectively.

Sec. 2. NRS 278.710 is hereby amended to read as follows:

278.710 1. A board of county commissioners may by ordinance, but not as in a case of emergency, impose a tax for the improvement of transportation on the privilege of new residential, commercial, industrial and other development pursuant to paragraph (a) or (b) as follows:

(a) After receiving the approval of a majority of the registered voters of the county voting on the question at a special election or the next primary or general election, the board of county commissioners may impose the tax throughout the county, including any such development in incorporated cities in the county. A county may combine this question with a question submitted pursuant to NRS 244.3351, 371.045 or 377A.020, or any combination thereof.

(b) After receiving the approval of a majority of the registered voters who reside within the boundaries of a transportation district created

pursuant to NRS 244A.252, voting on the question at a special or general district election or primary or general state election, the board of county commissioners may impose the tax within the boundaries of the district. A county may combine this question with a question submitted pursuant to NRS 244.3351.

2. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board of county commissioners is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board of county commissioners to provide an essential service to the residents of the county.

3. The tax imposed pursuant to this section must be at such a rate and based on such criteria and classifications as the board of county commissioners determines to be appropriate. Each such determination is conclusive unless it constitutes an arbitrary and capricious abuse of discretion, but the tax imposed must not exceed \$500 per single-family dwelling unit of new residential development, or the equivalent thereof as determined by the board of county commissioners, or 50 cents per square foot on other new development. If so provided in the ordinance, a newly developed lot for a mobile home ~~shall~~ **must** be considered a single-family dwelling unit of new residential development.

4. The tax imposed pursuant to this section must be collected before the time a certificate of occupancy for a building or other structure constituting new development is issued, or at such other time as is specified in the ordinance imposing the tax. If so provided in the ordinance, no certificate of occupancy may be issued by any local government unless proof of payment of the tax is filed with the person authorized to issue the certificate of occupancy. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. In a county in which a tax has been imposed pursuant to paragraph (a) of subsection 1, the revenue derived from the tax must be used exclusively to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects and underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, ~~within~~ **respectively:**

(1) Within the boundaries of the county ~~for within~~ ;

(2) Within 1 mile outside ~~those~~ **the** boundaries **of the county** if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county; **or**

(3) Within 30 miles outside the boundaries of the county and the boundaries of this state, where those boundaries are coterminous, if:

(I) The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and

(II) The board of county commissioners finds that such projects will provide a significant economic benefit to the county;

(b) The principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

6. In a transportation district in which a tax has been imposed pursuant to paragraph (b) of subsection 1, the revenue derived from the tax must be used exclusively to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects and underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, *respectively*, within the boundaries of the district or within such a distance outside those boundaries as is stated in the ordinance imposing the tax, if the board of county commissioners finds that such projects outside the boundaries of the district will facilitate transportation within the district;

(b) The principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

7. The county may expend the proceeds of the tax authorized by this section, or any borrowing in anticipation of the tax, pursuant to an interlocal agreement between the county and the regional transportation commission of the county with respect to the projects to be financed with the proceeds of the tax.

8. The provisions of chapter 278B of NRS and any action taken pursuant to that chapter do not limit or in any other way apply to any tax imposed pursuant to this section.

Sec. 3. NRS 371.045 is hereby amended to read as follows:

371.045 1. A board of county commissioners may by ordinance, but not as in a case of emergency, after receiving the approval of a majority of the registered voters voting on the question at a primary, general or special election, impose a supplemental privilege tax of not more than 1 cent on each \$1 of valuation of the vehicle for the privilege of operating upon the public streets, roads and highways of the county on each vehicle based in the county except:

(a) A vehicle exempt from the motor vehicle privilege tax pursuant to this chapter; or

(b) A vehicle subject to NRS 706.011 to 706.861, inclusive, which is engaged in interstate or intercounty operations.

2. A county may combine this question with questions submitted pursuant to NRS 244.3351, 278.710 or 377A.020, or any combination thereof.

3. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to

challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.

4. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. Except as otherwise provided in subsection 6 and NRS 371.047, the county shall use the proceeds of the tax to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects or underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, ~~within~~ *respectively:*

(1) Within the boundaries of the county ~~for within~~ ;

(2) Within 1 mile outside ~~those~~ the boundaries of the county if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county; *or*

(3) Within 30 miles outside the boundaries of the county and the boundaries of this state, where those boundaries are coterminous, if:

(I) The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and

(II) The board of county commissioners finds that such projects will provide a significant economic benefit to the county;

(b) Payment of principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

6. The county may expend the proceeds of the supplemental privilege tax authorized by this section and NRS 371.047, or any borrowing in anticipation of that tax, pursuant to an interlocal agreement between the county and the regional transportation commission of the county with respect to the projects to be financed with the proceeds of the tax.

7. As used in this section, "based" has the meaning ascribed to it in NRS 482.011.

Sec. 4. Section 5 of Senate Bill No. 59 of this session is hereby amended to read as follows:

Sec. 5. NRS 371.045 is hereby amended to read as follows:

371.045 1. A board of county commissioners may by ordinance, but not as in a case of emergency, after receiving the approval of a majority of the registered voters voting on the question at a primary, general or special election, impose a supplemental ~~privilege~~ *governmental services* tax of not more than 1 cent on each \$1 of valuation of the vehicle for the privilege of operating upon the public streets, roads and highways of the county on each vehicle based in the county except:

(a) A vehicle exempt from the ~~motor vehicle privilege~~ *governmental services* tax pursuant to this chapter; or

(b) A vehicle subject to NRS 706.011 to 706.861, inclusive, which is engaged in interstate or intercounty operations.

2. A county may combine this question with questions submitted pursuant to NRS 244.3351, 278.710 or 377A.020, or any combination thereof.

3. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.

4. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. Except as otherwise provided in subsection 6 and NRS 371.047, the county shall use the proceeds of the tax to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects or underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, respectively:

(1) Within the boundaries of the county;

(2) Within 1 mile outside the boundaries of the county if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county; or

(3) Within 30 miles outside the boundaries of the county and the boundaries of this state, where those boundaries are coterminous, if:

(I) The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and

(II) The board of county commissioners finds that such projects will provide a significant economic benefit to the county;

(b) Payment of principal and interest on notes, bonds or other obligations incurred to fund projects described in paragraph (a); or

(c) Any combination of those uses.

6. The county may expend the proceeds of the supplemental ~~privilege~~ *governmental services* tax authorized by this section and NRS 371.047, or any borrowing in anticipation of that tax, pursuant to an interlocal agreement between the county and the regional transportation commission of the county with respect to the projects to be financed with the proceeds of the tax.

7. As used in this section, “based” has the meaning ascribed to it in NRS 482.011.

Sec. 5. This act becomes effective upon passage and approval.