

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

MARCH 19, 2001

Referred to Committee on Government Affairs

SUMMARY—Authorizes use of proceeds of certain taxes for certain highway improvement projects located wholly or partially outside boundaries of this state. (BDR 20-831)

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

- 1 **Section 1.** NRS 244.33512 is hereby amended to read as follows:
2 244.33512 In a county in which a tax has been imposed pursuant to
3 paragraph (a) of subsection 1 of NRS 244.3351:
4 1. The proceeds of the tax and any applicable penalty or interest must
5 be:
6 (a) Remitted to the appropriate city if collected in the incorporated area
7 of any city and not within any transportation district created by the county,
8 or if collected in any transportation district created by a city; or
9 (b) Retained by the county if collected elsewhere, and used as provided
10 in this section.
11 2. Except as otherwise provided in subsection 3, if the county has
12 created one or more transportation districts, it shall use any part of the
13 money retained which is collected within the boundaries of a transportation
14 district to pay the cost of:
15 (a) Projects related to the construction and maintenance of sidewalks,
16 streets, avenues, boulevards, highways, bridges and other public rights of
17 way used primarily for vehicular or fixed guideway traffic, including,



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1 without limitation, overpass projects, street projects and underpass
2 projects, as defined in NRS 244A.037, 244A.053 and 244A.055,
3 respectively ~~to within~~ :

4 (1) *Within* the boundaries of the district ~~to within~~ ;

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

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

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

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

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

18 (c) Any combination of those uses.

19 3. In addition to those uses set forth in subsection 2, if a county has
20 created one or more transportation districts and all or any portion of those
21 districts are located in an area that is governed by an interstate compact
22 entered into by this state and a state that borders this state, the county may
23 use any part of the money retained which is collected within the boundaries
24 of a transportation district to pay the cost of establishing, operating and
25 maintaining a public transit system, including any improvement thereto,
26 within the boundaries of the district, or outside those boundaries if the
27 governing body finds that such a system outside the boundaries of the
28 district will facilitate transportation within the district, or both.

29 4. If the county has entered into an agreement pursuant to NRS
30 277.080 to 277.170, inclusive, which contemplates later payment by the
31 other party of a portion of the cost of a project which may be funded
32 pursuant to subsection 2, the county may pay from retained proceeds the
33 principal and interest on notes, bonds or other obligations issued in
34 anticipation of that payment.

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

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

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

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

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

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



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1 6. As used in this section:

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

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

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

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

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

10 278.710 1. A board of county commissioners may by ordinance, but
11 not as in a case of emergency, impose a tax for the improvement of
12 transportation on the privilege of new residential, commercial, industrial
13 and other development pursuant to paragraph (a) or (b) as follows:

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

21 (b) After receiving the approval of a majority of the registered voters
22 who reside within the boundaries of a transportation district created
23 pursuant to NRS 244A.252, voting on the question at a special or general
24 district election or primary or general state election, the board of county
25 commissioners may impose the tax within the boundaries of the district. A
26 county may combine this question with a question submitted pursuant to
27 NRS 244.3351.

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

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



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

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

13 (a) Projects related to the construction and maintenance of sidewalks,
14 streets, avenues, boulevards, highways and other public rights of way used
15 primarily for vehicular traffic, including, without limitation, overpass
16 projects, street projects and underpass projects, as defined in NRS
17 244A.037, 244A.053 and 244A.055, ~~within~~ *respectively*;

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

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

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

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

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

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

31 (c) Any combination of those uses.

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

35 (a) Projects related to the construction and maintenance of sidewalks,
36 streets, avenues, boulevards, highways and other public rights of way used
37 primarily for vehicular traffic, including, without limitation, overpass
38 projects, street projects and underpass projects, as defined in NRS
39 244A.037, 244A.053 and 244A.055, *respectively*, within the boundaries of
40 the district or within such a distance outside those boundaries as is stated in
41 the ordinance imposing the tax, if the board of county commissioners finds
42 that such projects outside the boundaries of the district will facilitate
43 transportation within the district;

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

46 (c) Any combination of those uses.

47 7. The county may expend the proceeds of the tax authorized by this
48 section, or any borrowing in anticipation of the tax, pursuant to an
49 interlocal agreement between the county and the regional transportation



1 commission of the county with respect to the projects to be financed with
2 the proceeds of the tax.

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

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

7 371.045 1. A board of county commissioners may by ordinance, but
8 not as in a case of emergency, after receiving the approval of a majority of
9 the registered voters voting on the question at a primary, general or special
10 election, impose a supplemental privilege tax of not more than 1 cent on
11 each \$1 of valuation of the vehicle for the privilege of operating upon the
12 public streets, roads and highways of the county on each vehicle based in
13 the county except:

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

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

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

21 3. A special election may be held only if the board of county
22 commissioners determines, by a unanimous vote, that an emergency exists.
23 The determination made by the board is conclusive unless it is shown that
24 the board acted with fraud or a gross abuse of discretion. An action to
25 challenge the determination made by the board must be commenced within
26 15 days after the board's determination is final. As used in this subsection,
27 "emergency" means any unexpected occurrence or combination of
28 occurrences which requires immediate action by the board of county
29 commissioners to prevent or mitigate a substantial financial loss to the
30 county or to enable the board to provide an essential service to the
31 residents of the county.

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

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

37 (a) Projects related to the construction and maintenance of sidewalks,
38 streets, avenues, boulevards, highways and other public rights of way used
39 primarily for vehicular traffic, including, without limitation, overpass
40 projects, street projects or underpass projects, as defined in NRS 244A.037,
41 244A.053 and 244A.055, ~~within~~ **respectively:**

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

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

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



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

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

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

8 (c) Any combination of those uses.

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

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

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

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

19 371.045 1. A board of county commissioners may by ordinance,
20 but not as in a case of emergency, after receiving the approval of a
21 majority of the registered voters voting on the question at a primary,
22 general or special election, impose a supplemental ~~privilege~~
23 *governmental services* tax of not more than 1 cent on each \$1 of
24 valuation of the vehicle for the privilege of operating upon the public
25 streets, roads and highways of the county on each vehicle based in the
26 county except:

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

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

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

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

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



1 5. Except as otherwise provided in subsection 6 and NRS
2 371.047, the county shall use the proceeds of the tax to pay the cost
3 of:

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

9 (1) Within the boundaries of the county;

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

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

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

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

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

23 (c) Any combination of those uses.

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

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

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

