

ASSEMBLY BILL NO. 50—ASSEMBLYMAN MARVEL

PREFILED JANUARY 26, 2001

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing certain funds into which school districts may transfer money. (BDR 31-30)

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 local governments; increasing the balance that certain school districts may maintain in a fund to stabilize the operation of the school district and mitigate the effects of natural disasters; revising the amount of money that certain school districts may transfer to certain funds; 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 and mitigate the effects of natural disasters.
5 2. The money in the fund must be used only:
6 (a) If the total actual revenue of the local government falls short of the
7 total anticipated revenue in the general fund *of the local government* for
8 the fiscal year in which the local government uses that money; or
9 (b) To pay expenses incurred by the local government to mitigate the
10 effects of a natural disaster.
11 The money in the fund at the end of the fiscal year may not revert to any
12 other fund or be a surplus for any purpose other than a purpose specified in
13 this subsection.
14 3. The money in the fund may not be used to pay expenses incurred to
15 mitigate the effects of a natural disaster until the governing body of the
16 local government issues a formal declaration that a natural disaster exists.
17 The governing body shall not make such a declaration unless a natural
18 disaster is occurring or has occurred. Upon the issuance of such a
19 declaration, the money in the fund may be used for the payment of the

1 following expenses incurred by the local government as a result of the
2 natural disaster:

3 (a) The repair or replacement of roads, streets, bridges, water control
4 facilities, public buildings, public utilities, recreational facilities and parks
5 owned by the local government and damaged by the natural disaster;

6 (b) Any emergency measures undertaken to save lives, protect public
7 health and safety or protect property within the jurisdiction of the local
8 government;

9 (c) The removal of debris from publicly or privately owned land and
10 waterways within the jurisdiction of the local government that was
11 undertaken because of the natural disaster;

12 (d) Expenses incurred by the local government for any overtime worked
13 by an employee of the local government because of the natural disaster or
14 any other extraordinary expenses incurred by the local government because
15 of the natural disaster; and

16 (e) The payment of any grant match the local government must provide
17 to obtain a grant from a federal disaster assistance agency for an eligible
18 project to repair damage caused by the natural disaster within the
19 jurisdiction of the local government.

20 4. ~~[The]~~ *Except as otherwise provided in subsection 5, the* balance in
21 the fund must not exceed 10 percent of the expenditures from the general
22 fund *of the local government* for the previous fiscal year, excluding any
23 federal ~~[funds]~~ *money* expended by the local government.

24 5. *If the board of trustees of a school district in a county whose*
25 *population is less than 100,000 has established a fund pursuant to this*
26 *section, the balance in the fund must not exceed 30 percent of the*
27 *expenditures from the county school district fund for the previous fiscal*
28 *year, excluding any federal money expended by the school district, or*
29 *\$2,000,000, whichever is less. Any money that the board of trustees of a*
30 *school district transfers to the fund is subject to the limitation set forth in*
31 *paragraph (b) of subsection 3 of NRS 354.6117.*

32 6. The annual budget and audit report of the local government
33 prepared pursuant to NRS 354.624 must specifically identify the fund and:

34 (a) Indicate in detail the manner in which money in the fund was
35 expended during the previous fiscal year;

36 (b) Specify the amount of money, if any, that will be deposited in the
37 fund for the next fiscal year; and

38 (c) Identify any planned accumulation of the money in the fund.

39 The audit report must include a statement by the auditor whether the local
40 government has complied with the provisions of this subsection.

41 ~~[6.]~~ 7. As used in this section:

42 (a) "Grant match" has the meaning ascribed to it in NRS 353.2725.

43 (b) "Natural disaster" means a fire, flood, earthquake, drought or any
44 other occurrence that:

45 (1) Results in widespread or severe damage to property or injury to or
46 the death of persons within the jurisdiction of the local government; and

47 (2) As determined by the governing body of the local government,
48 requires immediate action to protect the health, safety and welfare of
49 persons residing within the jurisdiction of the local government.

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

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

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

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

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

3. The total amount of money that the board of trustees of a school district in a county whose population is less than 100,000 may transfer in a fiscal year from the county school district fund to:

(a) The funds established pursuant to NRS 354.611 and 354.6113 must not exceed 10 percent of the total amount of the budgeted expenditures from the county school district fund, plus any money transferred from the county school district fund, other than the money transferred to the funds established pursuant to NRS 354.611 and 354.6113, for that fiscal year.

(b) The fund established pursuant to NRS 354.6115 must not exceed 10 percent of the total amount of the budgeted expenditures from the county school district fund, excluding any federal money expended by the school district, plus any money transferred from the county school district fund, other than the money transferred to the fund established pursuant to NRS 354.6115, for that fiscal year.

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

~