

SENATE BILL NO. 164—SENATOR O’CONNELL

FEBRUARY 15, 2001

Referred to Committee on Government Affairs

SUMMARY—Contingently authorizes purchase of municipal and revenue securities by state for improvement, acquisition and construction of facilities for certain public schools. (BDR 30-52)

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 public securities; contingently authorizing the purchase of municipal and revenue securities by the state for the improvement, acquisition and construction of facilities for certain public schools; 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 350A.010 is hereby amended to read as follows:
2 350A.010 The legislature finds that:
3 1. It is in the public interest to foster and promote the ~~protection~~:
4 (a) ***Protection*** and preservation of the property and natural resources of
5 the State of Nevada, and to obtain the benefits thereof ~~and~~; and
6 (b) ***Improvement, acquisition and construction of facilities for public***
7 ***elementary and secondary schools,***
8 and that the state should encourage and assist municipalities in undertaking
9 local projects for such purposes by making loans to municipalities which
10 might not be otherwise available or which might be available only at
11 prohibitive interest rates;
12 2. The making of such loans and the issuing of state securities therefor
13 as general obligations are necessary, expedient and advisable for the
14 protection and preservation of the property and natural resources of the
15 State of Nevada ~~and~~, for obtaining the benefits thereof ~~and~~, and for the
16 ***improvement, acquisition and construction of facilities for public***
17 ***elementary and secondary schools;*** and
18 3. Because of market conditions relating to credit and public finance, it
19 is in the public interest to assist municipalities in the acquisition,
20 construction or equipping of public improvements by providing money to



1 municipalities at reasonable rates of interest through the issuance of state
2 securities to finance the acquisition of revenue securities.

3 **Sec. 2.** NRS 350A.060 is hereby amended to read as follows:

4 350A.060 "Lending project" means any undertaking which the state is
5 authorized to complete in connection with loans to municipalities made by
6 the purchase of:

- 7 1. Municipal securities validly issued for a purpose related to natural
8 resources ~~and~~ *or for the improvement, acquisition or construction of*
9 *facilities for public elementary and secondary schools;* or
10 2. Revenue securities validly issued for a purpose related to any
11 undertaking which a municipality is authorized to complete.

12 **Sec. 3.** NRS 350A.070 is hereby amended to read as follows:

13 350A.070 "Municipal securities" means notes, warrants, interim
14 debentures, bonds and temporary bonds validly issued as obligations for a
15 purpose related to natural resources *or for the improvement, acquisition or*
16 *construction of facilities for public elementary and secondary schools*
17 which are payable:

- 18 1. From taxes whether or not additionally secured by any municipal
19 revenues available therefor;
20 2. For bonds issued by an irrigation district, from assessments against
21 real property; or
22 3. For bonds issued by a water authority organized as a political
23 subdivision created by cooperative agreement, from revenues of the water
24 system of the water authority or one or more of the water purveyors who
25 are members of the water authority or any combination thereof.

26 **Sec. 4.** NRS 350A.110 is hereby amended to read as follows:

27 350A.110 "State securities" means notes, warrants, interim debentures,
28 bonds and temporary bonds issued as:

- 29 1. General obligations by the state pursuant to this chapter for any
30 lending project which is for a purpose related to natural resources, *for the*
31 *improvement, acquisition or construction of facilities for public*
32 *elementary and secondary schools* or for a refunding which are payable
33 from taxes, whether or not additionally secured by a pledge of all or any
34 designated revenues of one or more lending projects; or
35 2. Limited obligations by the state pursuant to this chapter for any
36 lending project which is for a purpose related to any undertaking which a
37 municipality is authorized to complete or for a refunding which are payable
38 from the revenues of one or more lending projects.

39 **Sec. 5.** NRS 350A.130 is hereby amended to read as follows:

40 350A.130 In order to:

- 41 1. Protect and preserve the property and natural resources of the state,
42 ~~and~~ to obtain the benefits thereof ~~and~~ *, and to improve, acquire and*
43 *construct facilities for public elementary and secondary schools;* and
44 2. Assist municipalities in the acquisition, construction and equipping
45 of public improvements,
46 the state treasurer may make loans to municipalities by purchasing their
47 municipal securities validly issued for a purpose related to natural
48 resources *or for the improvement, acquisition or construction of facilities*
49 *for public elementary and secondary schools,* or their revenue securities



1 validly issued for a purpose related to any undertaking which the
2 municipality is authorized to complete.

3 **Sec. 6.** This act becomes effective on December 1, 2002, only if
4 Assembly Joint Resolution No. 26 of the 70th session of the
5 Nevada Legislature is approved by the voters at the general election on
6 November 5, 2002.

