

SENATE BILL NO. 200—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF CITY OF RENO)

FEBRUARY 20, 2001

Referred to Committee on Government Affairs

SUMMARY—Expands authority of certain local governments with respect to administration of municipal finances. (BDR 21-631)

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 local governmental financial administration; expanding the purposes for which a city may pledge and use the proceeds of the tax imposed on the revenues from the rental of transient lodging; clarifying the manner in which the City of Reno may invest money realized from the sale of bonds and use the interest received from such investments; 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 268.095 is hereby amended to read as follows:  
2     268.095 1. The city council or other governing body of each  
3     incorporated city in this state, whether organized under general law or  
4     special charter, may:  
5         (a) Except as otherwise provided in NRS 268.0968 and 576.128, fix,  
6         impose and collect for revenues or for regulation, or both, a license tax on  
7         all character of lawful trades, callings, industries, occupations, professions  
8         and businesses conducted within its corporate limits.  
9         (b) Assign the proceeds of any one or more of such license taxes to the  
10        county within which the city is situated for the purpose or purposes of  
11        making the proceeds available to the county:  
12             (1) As a pledge as additional security for the payment of any general  
13             obligation bonds issued pursuant to NRS 244A.597 to 244A.655, inclusive;  
14             (2) For redeeming any general obligation bonds issued pursuant to  
15             NRS 244A.597 to 244A.655, inclusive;  
16             (3) For defraying the costs of collecting or otherwise administering  
17             any such license tax so assigned, of the county fair and recreation board



1 and of officers, agents and employees hired thereby, and of incidentals  
2 incurred thereby;

3 (4) For operating and maintaining recreational facilities under the  
4 jurisdiction of the county fair and recreation board;

5 (5) For improving, extending and bettering recreational facilities  
6 authorized by NRS 244A.597 to 244A.655, inclusive; and

7 (6) For constructing, purchasing or otherwise acquiring such  
8 recreational facilities.

9 (c) Pledge the proceeds of any tax imposed on the revenues from the  
10 rental of transient lodging pursuant to this section for the payment of any  
11 general *or special* obligations issued by the city for a purpose authorized  
12 by the ~~{City Bond Law, NRS 268.672 to 268.740, inclusive;}~~ *laws of this*  
13 *state.*

14 (d) Use the proceeds of any tax imposed pursuant to this section on the  
15 revenues from the rental of transient lodging:

16 (1) To pay the principal, interest or any other indebtedness on any  
17 general or special obligations issued by the city pursuant to the ~~{City Bond~~  
18 ~~Law, NRS 268.672 to 268.740, inclusive;}~~ *laws of this state;*

19 (2) For the expense of operating or maintaining, or both, any facilities  
20 of the city; and

21 (3) For any other purpose for which other money of the city may be  
22 used.

23 2. The proceeds of any tax imposed pursuant to this section that are  
24 pledged for the repayment of general obligations may be treated as  
25 "pledged revenues" for the purposes of NRS 350.020.

26 3. No license to engage in any type of business may be granted unless  
27 the applicant for the license signs an affidavit affirming that the business  
28 has complied with the provisions of chapter 364A of NRS. The city  
29 licensing agency shall provide upon request an application for a business  
30 license pursuant to chapter 364A of NRS.

31 4. No license to engage in business as a seller of tangible personal  
32 property may be granted unless the applicant for the license presents  
33 written evidence that:

34 (a) The department of taxation has issued or will issue a permit for this  
35 activity, and this evidence clearly identifies the business by name; or

36 (b) Another regulatory agency of the state has issued or will issue a  
37 license required for this activity.

38 5. Any license tax levied under the provisions of this section  
39 constitutes a lien upon the real and personal property of the business upon  
40 which the tax was levied until the tax is paid. The lien has the same priority  
41 as a lien for general taxes. The lien must be enforced in the following  
42 manner:

43 (a) By recording in the office of the county recorder, within 6 months  
44 following the date on which the tax became delinquent or was otherwise  
45 determined to be due and owing, a notice of the tax lien containing the  
46 following:

47 (1) The amount of tax due and the appropriate year;

48 (2) The name of the record owner of the property;

49 (3) A description of the property sufficient for identification; and



1 (4) A verification by the oath of any member of the board of county  
2 commissioners or the county fair and recreation board; and

3 (b) By an action for foreclosure against such property in the same  
4 manner as an action for foreclosure of any other lien, commenced within 2  
5 years after the date of recording of the notice of the tax lien, and  
6 accompanied by appropriate notice to other lienholders.

7 6. The city council or other governing body of each incorporated city  
8 may delegate the power and authority to enforce such liens to the county  
9 fair and recreation board. If the authority is so delegated, the governing  
10 body shall revoke or suspend the license of a business upon certification by  
11 the board that the license tax has become delinquent, and shall not reinstate  
12 the license until the tax is paid. Except as otherwise provided in NRS  
13 268.0966, all information concerning license taxes levied by an ordinance  
14 authorized by this section or other information concerning the business  
15 affairs or operation of any licensee obtained as a result of the payment of  
16 those license taxes or as the result of any audit or examination of the books  
17 of the city by any authorized employee of a county fair and recreation  
18 board for any license tax levied for the purpose of NRS 244A.597 to  
19 244A.655, inclusive, is confidential and must not be disclosed by any  
20 member, official or employee of the county fair and recreation board or the  
21 city imposing the license tax unless the disclosure is authorized by the  
22 affirmative action of a majority of the members of the appropriate county  
23 fair and recreation board. Continuing disclosure may be so authorized  
24 under an agreement with the department of taxation for the exchange of  
25 information concerning taxpayers.

26 7. The powers conferred by this section are in addition and  
27 supplemental to, and not in substitution for, and the limitations imposed by  
28 this section do not affect the powers conferred by, any other law. No part  
29 of this section repeals or affects any other law or any part thereof, it being  
30 intended that this section provide a separate method of accomplishing its  
31 objectives, and not an exclusive one.

32 **Sec. 2.** Section 7.060 of the charter of the City of Reno, being chapter  
33 662, Statutes of Nevada 1971, as amended by chapter 561, Statutes of  
34 Nevada 1977, at page 1397, is hereby amended to read as follows:

35 Sec. 7.060 Investment of money realized from bond sales.

36 1. The city council may direct the city manager to invest , *in a*  
37 *manner authorized by the laws of this state*, all ~~monies~~ *money*  
38 realized from the sale of bonds issued by the city in bonds or other  
39 securities ~~issued by the United States of America~~ until such  
40 ~~monies are actually~~ *money is* required for the purposes for which  
41 ~~such~~ *the* bonds were issued.

42 2. All interest received from such investments ~~shall~~ *must* be  
43 used only for the *purposes for which the bonds were issued and*  
44 *for* payment of principal or interest on ~~the bonds issued by the~~  
45 ~~city~~ *those bonds*.

46 **Sec. 3.** This act becomes effective on July 1, 2001.

