

CHAPTER.....

AN ACT relating to taxation; authorizing the boards of county commissioners of at least two counties to levy an ad valorem tax to pay the costs of operating a regional facility; exempting ad valorem taxes levied to pay the operating costs of certain regional facilities from the limitation upon revenue from ad valorem taxes; requiring an administrative entity created to operate a regional facility that receives revenue from ad valorem taxes levied to pay the costs of operating the regional facility to establish a fund for such revenue; 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. Chapter 354 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.

Sec. 2. *“Administrative entity” means an entity created pursuant to an interlocal agreement or interlocal contract between two or more counties to operate a regional facility.*

Sec. 3. *“Regional facility” means a facility that is used by each county that levies a tax ad valorem for its operation pursuant to section 4 of this act and provides services related to public safety, health or criminal justice. The term includes a regional facility for children as that term is defined in NRS 62.845.*

Sec. 4. 1. *In addition to the allowed revenue from taxes ad valorem determined pursuant to NRS 354.59811, the boards of county commissioners of at least two counties may levy a tax ad valorem on all taxable property in their respective counties at a rate not to exceed 5 cents per \$100 of the assessed valuation of each county to pay the costs of operating a regional facility.*

2. Counties that levy a tax ad valorem pursuant to subsection 1 may enter into an interlocal agreement or interlocal contract to create an administrative entity to operate a regional facility.

3. The revenue of a tax collected pursuant to this section must be remitted on the first day of the first month of each calendar quarter to:

(a) If the regional facility is operated by a county, the treasurer of the county; or

(b) If the regional facility is operated by an administrative entity, the administrative entity.

4. By the end of each fiscal year, the board of county commissioners of each county that levies a tax pursuant to this section must determine the rate of tax required to produce revenue in an amount which is sufficient to pay the operating costs of the regional facility for the ensuing fiscal year. When calculating a rate pursuant to this section, the board of county commissioners of each county shall consider the amount of money remaining in the fund created pursuant to section 5 of this act, if such a fund is created, unless the amount of money remaining in the fund is 10 percent or less of the revenue deposited for the current fiscal year.

Sec. 5. *1. If two or more counties create an administrative entity pursuant to section 4 of this act, the administrative entity shall establish a separate fund to account for the revenue received from taxes levied pursuant to section 4 of this act.*

2. The money in the fund may only be withdrawn by the administrative entity and must be used only to pay the expenses of operating the regional facility that is operated by the administrative entity.

3. All interest and income from money deposited in the fund must be credited to the fund.

4. The annual budget and audit report of an administrative entity that establishes a fund pursuant to this section must:

- (a) Identify the fund;*
- (b) Indicate in detail all revenue received for the year;*
- (c) Indicate in detail all expenses for the year which were paid with money from the fund; and*
- (d) Specifically identify any planned accumulation of money in the fund.*

5. Money remaining in the fund at the end of a fiscal year must not revert to any other fund.

6. Upon termination of an interlocal agreement or interlocal contract that creates an administrative entity, the money remaining in a fund established pursuant to this section must be transmitted to the treasurer of each county which was a party to the interlocal agreement or interlocal contract and which levied a tax pursuant to section 4 of this act. Each county that is entitled to receive a portion of the money remaining in the fund must receive an amount equal to the same proportion of the total amount of revenue the county contributed to the fund. A county that receives money pursuant to this section shall deposit the money in a fund established pursuant to NRS 354.6113 or 354.6115 for use in the same manner as other money deposited in that fund.

7. Nothing in this section may be construed to require a board of county commissioners that is a party to an interlocal agreement or interlocal contract to levy a tax pursuant to section 4 of this act.

Sec. 6. NRS 354.476 is hereby amended to read as follows:

354.476 As used in NRS 354.470 to 354.626, inclusive, *and sections 2 to 5, inclusive, of this act*, unless the context otherwise requires, the words and terms defined in NRS 354.478 to 354.580, inclusive, *and sections 2 and 3 of this act* have the meanings ascribed to them in those sections.

Sec. 7. NRS 354.59811 is hereby amended to read as follows:

354.59811 1. Except as otherwise provided in NRS 354.59813, 354.59815, 354.5982, 354.5987, 354.59871, 354.705, 354.723, 450.425, 450.760, 540A.265 and 543.600, *and section 4 of this act*, for each fiscal year beginning on or after July 1, 1989, the maximum amount of money that a local government, except a school district, a district to provide a telephone number for emergencies, or a redevelopment agency, may receive from taxes ad valorem, other than those attributable to the net proceeds of minerals or those levied for the payment of bonded indebtedness and interest thereon incurred as general long-term debt of the issuer, or for the payment of obligations issued to pay the cost of a water

project pursuant to NRS 349.950, or for the payment of obligations under a capital lease executed before April 30, 1981, must be calculated as follows:

(a) The rate must be set so that when applied to the current fiscal year's assessed valuation of all property which was on the preceding fiscal year's assessment roll, together with the assessed valuation of property on the central assessment roll which was allocated to the local government, but excluding any assessed valuation attributable to the net proceeds of minerals, assessed valuation attributable to a redevelopment area and assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation, it will produce 106 percent of the maximum revenue allowable from taxes ad valorem for the preceding fiscal year, except that the rate so determined must not be less than the rate allowed for the previous fiscal year, except for any decrease attributable to the imposition of a tax pursuant to NRS 354.59813 in the previous year.

(b) This rate must then be applied to the total assessed valuation, excluding the assessed valuation attributable to the net proceeds of minerals and the assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation but including new real property, possessory interests and mobile homes, for the current fiscal year to determine the allowed revenue from taxes ad valorem for the local government.

2. As used in this section, "general long-term debt" does not include debt created for medium-term obligations pursuant to NRS 350.085 to 350.095, inclusive.

Sec. 8. NRS 62.845 is hereby amended to read as follows:

62.845 1. Except as otherwise provided in subsection 5, each county shall pay an assessment for the operation of a regional facility for children that serves the county if the facility:

(a) Is operated by a county whose population is less than 400,000 or an administrative entity established pursuant to NRS 277.080 to 277.180, inclusive, by counties whose populations are less than 400,000 each;

(b) Is established by two or more counties pursuant to an interlocal agreement or by one county if the facility is operated pursuant to an interlocal agreement to benefit other counties; and

(c) Is not partially supported by the State of Nevada and does not receive money from the State of Nevada other than any fees paid to the facility for a child referred to the facility by the State of Nevada.

2. The administrator of a regional facility for children shall calculate the assessment owed by each county pursuant to subsection 1 on or before March 1 of each year for the ensuing fiscal year. The assessment owed by each county equals:

(a) For the first 2 years of operation of the regional facility for children, the total amount budgeted for the operation of the facility by the governing body of the county or other entity responsible for the operation of the facility, minus any money received from the State of Nevada to pay for fees for a child referred to the facility by the State of Nevada, divided by the total number of pupils in the preceding school year in all counties

served by the facility and multiplied by the number of pupils in the preceding school year in the assessed county.

(b) For each year subsequent to the second year of operation of the regional facility for children, unless the counties served by the facility enter into an interlocal agreement to the contrary, the total of:

(1) The total amount budgeted for the operation of the facility by the governing body of the county or other entity responsible for the operation of the facility, minus any money received from the State of Nevada to pay for fees for a child referred to the facility by the State of Nevada, divided by the total number of pupils in the preceding school year in all counties served by the facility, multiplied by the number of pupils in the preceding school year in the assessed county and multiplied by one-fourth; and

(2) The total amount budgeted for the operation of the facility by the governing body of the county or other entity responsible for the operation of the facility, minus any money received from the State of Nevada to pay for fees for a child referred to the facility by the State of Nevada, divided by the total number of pupils who were served by the facility in the preceding school year from all counties served by the facility, multiplied by the number of pupils who were served by the facility in the preceding school year from the assessed county and multiplied by three-fourths.

3. Each county shall pay the assessment required pursuant to subsection 1 to the treasurer of the county if the facility is operated by a county or to the administrative entity responsible for the operation of the regional facility for children in quarterly installments that are due on the first day of the first month of each calendar quarter. The money must be accounted for separately and may only be withdrawn by the administrator of the regional facility for children.

4. The board of county commissioners of each county may ~~levy an ad valorem tax of not more than 5 cents on each \$100 of assessed valuation upon all taxable property in the county to pay the assessment required pursuant to subsection 1. The county may~~ pay the assessment from revenue raised by a tax levied pursuant to ~~{this subsection,}~~ **section 4 of this act**, any other available money, or a combination thereof. ~~{Revenue raised by a county to pay the assessment required pursuant to subsection 1 is not subject to the limitations on revenue imposed pursuant to chapter 354 of NRS and must not be included in the calculation of those limitations.}~~

5. The provisions of this section do not apply to a county whose population is 400,000 or more.

6. As used in this section, "regional facility for children" means an institution that provides for the temporary care, custody, control and treatment of a child under the jurisdiction of a juvenile court who is detained because he was found violating a law or ordinance, adjudicated delinquent or determined to be in need of supervision. The term includes, without limitation, the institution in Lyon County known as Western Nevada Regional Youth Facility.

Sec. 9. This act becomes effective on July 1, 2001.