

CHAPTER.....

AN ACT relating to aviation; creating the fund for aviation; providing for the administration and expenditure of the money in the fund for certain purposes relating to airports, landing areas and air navigation facilities that are owned or controlled by certain counties, cities or other local governments; 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 494 of NRS is hereby amended by adding thereto a new section to read as follows:

*1. The fund for aviation is hereby created as a trust fund in the state treasury. The director:*

*(a) Shall administer the fund; and*

*(b) May apply for and accept any gift, bequest, grant, appropriation or donation from any source for deposit in the fund.*

*2. Any money received by the director pursuant to the provisions of subsection 1 must be deposited in the fund. The money in the fund may be invested as the money in other state funds is invested. After deducting any applicable charges, all interest and income earned on the money in the fund must be credited to the fund. The money in the fund may be expended only in accordance with the terms and conditions of any gift, bequest, grant, appropriation or donation to the fund or in the manner provided in subsection 3. Not more than 1 percent of the money in the fund may be used to pay the costs of administering the fund.*

*3. Except as otherwise provided in this section, the director may:*

*(a) Expend money in the fund to award grants to a county, city or other local government in this state for obtaining matching money for federal programs and any other programs relating to airports or for the planning, establishment, development, construction, enlargement, improvement or maintenance of any airport, landing area or air navigation facility owned or controlled by the county, city or other local government; and*

*(b) Adopt regulations to carry out the provisions of paragraph (a).*

*4. The director shall:*

*(a) In adopting regulations pursuant to subsection 3, determine the order of priority for the expenditures from the fund by considering, without limitation, the following factors:*

*(1) The purpose of the project;*

*(2) The costs and benefits of the project; and*

*(3) The effect of the project on the environment, safety, security, infrastructure and capacity of the airport; and*

*(b) Before awarding a grant or adopting a regulation pursuant to subsection 3, consult with the Nevada Aviation Technical Advisory Committee and any person who represents an airport in this state used by the general public.*

*5. Any money received by a county, city or other local government pursuant to the provisions of this section must be accounted for separately by the county, city or other local government and may be used*

*only for the purpose for which the money was received by the county, city or other local government.*

*6. The provisions of this section do not apply to an airport, landing area or air navigation facility that is owned or controlled by the Airport Authority of Washoe County or a county whose population is 400,000 or more.*

*7. As used in this section, "director" means the director of the department of transportation.*

**Sec. 2.** NRS 365.545 is hereby amended to read as follows:

365.545 1. The proceeds of all taxes on fuel for jet or turbine-powered aircraft imposed pursuant to *the provisions of* NRS 365.170 or 365.203 must be deposited in the account for taxes on fuel for jet or turbine-powered aircraft in the state general fund and must be allocated monthly by the department to the governmental entity which owns the airport at which the tax was collected, or if the airport is privately owned, to the county in which the airport is located.

2. The money so received must be used by the *governmental* entity receiving it to pay the cost of:

(a) Transportation projects related to airports, including access on the ground to airports;

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

(c) *Contributing money to the trust fund for aviation created by section 1 of this act; or*

(d) Any combination of those purposes.

3. Money so received may also be pledged for the payment of general or special obligations issued to fund projects described in paragraph (a) of subsection 2.

4. Any money pledged pursuant to *the provisions of* subsection 3 may be treated as pledged revenues of the project for the purposes of subsection 3 of NRS 350.020.