

CHAPTER.....

AN ACT relating to railroads; authorizing the California-Nevada Super Speed Ground Transportation Commission to issue bonds, notes, obligations or evidences of borrowing to finance the construction of a super speed ground transportation system; making various changes to the definition of a super speed ground transportation system; 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 705 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The commission, or a corporation formed by the commission pursuant to the laws of this state or the State of California, as the commission deems appropriate, may issue bonds, notes, obligations or other evidences of borrowing to finance all or a part of the construction of all or a part of the super speed ground transportation system. For purposes of issuing bonds, notes, obligations or other evidences of borrowing pursuant to this section, the commission and any corporation formed by the commission are constituted authorities for the purposes of regulations enacted by the Internal Revenue Service pursuant to 26 U.S.C. §§ 103 and 141 to 150, inclusive.

2. Bonds, notes, obligations or other evidences of borrowing issued by the commission or any corporation formed by the commission which are issued to finance all or any part of the construction of all or a part of the super speed ground transportation system may be payable from and secured by:

(a) A pledge of property of the commission or a corporation formed by the commission pursuant to this section;

(b) A pledge of any revenue of the super speed ground transportation system, including revenue from fares, revenue from advertising and all other revenue of the system; and

(c) A pledge of any other money made available to the commission or a corporation formed by the commission pursuant to this section by:

(1) Grants from the federal government or any other federal funds as may be available to pay costs of the super speed ground transportation system or debt service on any borrowing;

(2) Any company, public or private; or

(3) Any local government or governmental entity in this state or in the State of California pursuant to an intergovernmental agreement or otherwise.

3. The commission may enter into agreements with any person, local government or governmental entity for the provision of resources or assistance to the commission or a corporation formed by the commission concerning the financing of the super speed ground transportation system.

4. The commission or any corporation formed by the commission pursuant to this section may issue obligations to refund any obligations issued pursuant to the provisions of this section and NRS 705.4291 to

705.4296, inclusive, for any purpose the commission determines to be sufficient.

5. Nothing in this section authorizes the commission or any corporation formed by the commission to obligate this state or the State of California or any political subdivision thereof unless such state or political subdivision has obligated itself to the commission or a corporation created by the commission through an intergovernmental agreement.

6. Unless a specific statute of this state or the State of California requires otherwise, upon dissolution of the commission, all property of the commission must be distributed between this state and the State of California in an equitable manner as agreed upon by the states.

7. The creation, perfection, priority and enforcement of any lien on pledged revenue or other money established to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section, must be as specified in this section and in the instruments approved by the commission pertaining to that bond, note, obligation or other evidence of borrowing. It is the purpose of this section to provide expressly for the creation, perfection, priority and enforcement of a security interest created by the commission in pledged revenues or other money in connection with bonds, notes, obligations or other evidences of borrowing issued pursuant to this section as described in paragraph (b) of subsection 3 of NRS 104.9109. Any lien on pledged revenue or other money created to secure any bond, note, obligation or other evidence of borrowing issued pursuant to this section has priority over any lien thereon created pursuant to the provisions of chapter 104 of NRS unless otherwise provided in the instrument creating the lien to secure such bond, note, obligation or other evidence of borrowing issued pursuant to the provisions of this section.

Sec. 2. NRS 705.4292 is hereby amended to read as follows:

705.4292 As used in NRS 705.4291 to 705.4296, inclusive, *and section 1 of this act*, unless the context otherwise requires:

1. "Commission" means the California-Nevada Super Speed Ground Transportation Commission.

2. "Southern California" means the counties of Los Angeles, Orange, Riverside and San Bernardino.

3. "Super speed ground transportation system" means a system that:

(a) Is capable of *sustained* speeds of at least ~~180~~ 240 miles per hour;

(b) *Uses magnetic levitation technology*;

(c) Carries primarily passengers; and

~~(e)~~ (d) Operates on a grade-separated, dedicated guideway.

Sec. 3. Section 7 of chapter 568, Statutes of Nevada 1987, at page 1359, as amended by section 4 of chapter 106, Statutes of Nevada 1991, at page 177, is hereby amended to read as follows:

Sec. 7. 1. This act becomes effective on January 1, 1988.

2. This act expires by limitation ~~11~~ :

(a) *One* year after the date on which the governor declares by public proclamation that the super speed ground transportation system connecting southern California with southern Nevada has been completed ~~11~~ ; or

(b) On the date all borrowing made pursuant to section 1 of this act is retired, whichever is later.

Sec. 4. 1. This act becomes effective on July 1, 2001.

2. Sections 1 and 2 of this act expire by limitation:

(a) One year after the date on which the governor declares by public proclamation that the super speed ground transportation system connecting southern California with southern Nevada has been completed; or

(b) On the date all borrowing made pursuant to section 1 of this act is retired, whichever is later.