

(REPRINTED WITH ADOPTED AMENDMENTS)
FIRST REPRINT **S.B. 363**

SENATE BILL NO. 363—SENATOR PORTER

MARCH 15, 2001

JOINT SPONSOR: ASSEMBLYMAN BROWN

Referred to Committee on Government Affairs

SUMMARY—Authorizes use of proceeds of certain taxes for certain highway improvement projects located wholly or partially outside boundaries of this state. (BDR 20-1049)

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 transportation; authorizing the use of the proceeds of certain taxes for certain highway improvement projects located wholly or partially outside the boundaries of the State of Nevada; and providing other matters properly relating thereto.

- 1 WHEREAS, The accessibility of Nevada by tourists who are driving to
2 visit from one of our neighboring states is important to the vitality of
3 tourism, one of the primary industries in this state, and hence is important
4 to the economy of the State of Nevada and the general welfare of the
5 inhabitants of this state; and
6 WHEREAS, Many times the welfare of the inhabitants of this state will
7 directly benefit from the construction and maintenance of a portion of a
8 linking highway that is located outside this state if that highway links the
9 state with a major highway to and from other states; and
10 WHEREAS, One of those linking highways that is partially located in
11 another state is U.S. Highway 95, popularly known as the Needles
12 Highway, which extends south from the current terminus of Interstate
13 Highway 515 in Clark County, Nevada, to Interstate Highway 40 in
14 California, near the City of Needles; and
15 WHEREAS, The Needles Highway is approximately 82 miles in length,
16 with 23 of those miles located in the State of California; and
17 WHEREAS, Visitors who are driving to Nevada from Southern California
18 primarily reach the popular resort community of Laughlin, Nevada, via
19 Interstate Highway 40, the 23-mile stretch of the Needles Highway that is
20 located in California, and Nevada State Route 163; and



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1 WHEREAS, U.S. Highway 95 also extends south of Needles through
2 portions of California and Arizona, offering convenient access to Nevada
3 from the Phoenix metropolitan area via Interstate Highway 10, and
4 providing a direct route from the rapidly growing area of Yuma, in
5 Southwestern Arizona, to Southern Nevada; now, therefore,

6
7 THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
8 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:
9

10 **Section 1.** NRS 244.33512 is hereby amended to read as follows:

11 244.33512 In a county in which a tax has been imposed pursuant to
12 paragraph (a) of subsection 1 of NRS 244.3351:

13 1. The proceeds of the tax and any applicable penalty or interest must
14 be:

15 (a) Remitted to the appropriate city if collected in the incorporated area
16 of any city and not within any transportation district created by the county,
17 or if collected in any transportation district created by a city; or

18 (b) Retained by the county if collected elsewhere, and used as provided
19 in this section.

20 2. Except as otherwise provided in subsection 3, if the county has
21 created one or more transportation districts, it shall use any part of the
22 money retained which is collected within the boundaries of a transportation
23 district to pay the cost of:

24 (a) Projects related to the construction and maintenance of sidewalks,
25 streets, avenues, boulevards, highways, bridges and other public rights of
26 way used primarily for vehicular or fixed guideway traffic, including,
27 without limitation, overpass projects, street projects and underpass
28 projects, as defined in NRS 244A.037, 244A.053 and 244A.055,
29 respectively ~~[- within] :~~

30 (1) *Within* the boundaries of the district ~~for within~~ ;

31 (2) *Within* 1 mile outside ~~those~~ *the* boundaries *of the district* if the
32 governing body finds that such projects outside the boundaries of the
33 district will facilitate transportation within the district; *or*

34 (3) *Within 30 miles outside the boundaries of the district and the*
35 *boundaries of this state, where those boundaries are coterminous, if:*

36 (I) *The projects consist of improvements to a highway which is*
37 *located wholly or partially outside the boundaries of this state and which*
38 *connects this state to an interstate highway; and*

39 (II) *The governing body finds that such projects will provide a*
40 *significant economic benefit to the district;*

41 (b) Payment of principal and interest on notes, bonds or other
42 obligations issued by the county to fund projects described in
43 paragraph (a); or

44 (c) Any combination of those uses.

45 3. In addition to those uses set forth in subsection 2, if a county has
46 created one or more transportation districts and all or any portion of those
47 districts are located in an area that is governed by an interstate compact
48 entered into by this state and a state that borders this state, the county may
49 use any part of the money retained which is collected within the boundaries



* S B 3 6 3 R 1 *

1 of a transportation district to pay the cost of establishing, operating and
2 maintaining a public transit system, including any improvement thereto,
3 within the boundaries of the district, or outside those boundaries if the
4 governing body finds that such a system outside the boundaries of the
5 district will facilitate transportation within the district, or both.

6 4. If the county has entered into an agreement pursuant to NRS
7 277.080 to 277.170, inclusive, which contemplates later payment by the
8 other party of a portion of the cost of a project which may be funded
9 pursuant to subsection 2, the county may pay from retained proceeds the
10 principal and interest on notes, bonds or other obligations issued in
11 anticipation of that payment.

12 5. Any part of the money retained which is collected in the
13 unincorporated area of the county and not within any transportation district
14 created by the county or a city must be used for the same purposes
15 ~~within~~ :

16 (a) *Within* the unincorporated area of the county ~~for within~~ ;

17 (b) *Within* 1 mile outside ~~that~~ *the unincorporated area of the county*
18 if the board of county commissioners finds that such projects outside that
19 area will facilitate transportation within that area ~~it~~ ; or

20 (c) *Within 30 miles outside the unincorporated area of the county and*
21 *the boundaries of this state, where those boundaries are coterminous, if:*

22 (1) *The projects consist of improvements to a highway which is*
23 *located wholly or partially outside the boundaries of this state and which*
24 *connects this state to an interstate highway; and*

25 (2) *The board of county commissioners finds that such projects will*
26 *provide a significant economic benefit to that area.*

27 6. As used in this section:

28 (a) "Improvement" has the meaning ascribed to it in NRS 244A.033.

29 (b) "Public transit system" means a system designed to facilitate the
30 transportation of members of the general public, including:

31 (1) The use of motor buses, rails or any other means of conveyance,
32 operated by whatever type of power; and

33 (2) An offstreet parking project or an overpass project as defined in
34 NRS 244A.035 and 244A.037, respectively.

35 **Sec. 2.** NRS 278.710 is hereby amended to read as follows:

36 278.710 1. A board of county commissioners may by ordinance, but
37 not as in a case of emergency, impose a tax for the improvement of
38 transportation on the privilege of new residential, commercial, industrial
39 and other development pursuant to paragraph (a) or (b) as follows:

40 (a) After receiving the approval of a majority of the registered voters of
41 the county voting on the question at a special election or the next primary
42 or general election, the board of county commissioners may impose the tax
43 throughout the county, including any such development in incorporated
44 cities in the county. A county may combine this question with a question
45 submitted pursuant to NRS 244.3351, 371.045 or 377A.020, or any
46 combination thereof.

47 (b) After receiving the approval of a majority of the registered voters
48 who reside within the boundaries of a transportation district created
49 pursuant to NRS 244A.252, voting on the question at a special or general



* S B 3 6 3 R 1 *

1 district election or primary or general state election, the board of county
2 commissioners may impose the tax within the boundaries of the district. A
3 county may combine this question with a question submitted pursuant to
4 NRS 244.3351.

5 2. A special election may be held only if the board of county
6 commissioners determines, by a unanimous vote, that an emergency exists.
7 The determination made by the board of county commissioners is
8 conclusive unless it is shown that the board acted with fraud or a gross
9 abuse of discretion. An action to challenge the determination made by the
10 board must be commenced within 15 days after the board's determination
11 is final. As used in this subsection, "emergency" means any unexpected
12 occurrence or combination of occurrences which requires immediate action
13 by the board of county commissioners to prevent or mitigate a substantial
14 financial loss to the county or to enable the board of county commissioners
15 to provide an essential service to the residents of the county.

16 3. The tax imposed pursuant to this section must be at such a rate and
17 based on such criteria and classifications as the board of county
18 commissioners determines to be appropriate. Each such determination is
19 conclusive unless it constitutes an arbitrary and capricious abuse of
20 discretion, but the tax imposed must not exceed \$500 per single-family
21 dwelling unit of new residential development, or the equivalent thereof as
22 determined by the board of county commissioners, or 50 cents per square
23 foot on other new development. If so provided in the ordinance, a newly
24 developed lot for a mobile home ~~shall~~ **must** be considered a single-family
25 dwelling unit of new residential development.

26 4. The tax imposed pursuant to this section must be collected before
27 the time a certificate of occupancy for a building or other structure
28 constituting new development is issued, or at such other time as is
29 specified in the ordinance imposing the tax. If so provided in the ordinance,
30 no certificate of occupancy may be issued by any local government unless
31 proof of payment of the tax is filed with the person authorized to issue the
32 certificate of occupancy. Collection of the tax imposed pursuant to this
33 section must not commence earlier than the first day of the second calendar
34 month after adoption of the ordinance imposing the tax.

35 5. In a county in which a tax has been imposed pursuant to paragraph
36 (a) of subsection 1, the revenue derived from the tax must be used
37 exclusively to pay the cost of:

38 (a) Projects related to the construction and maintenance of sidewalks,
39 streets, avenues, boulevards, highways and other public rights of way used
40 primarily for vehicular traffic, including, without limitation, overpass
41 projects, street projects and underpass projects, as defined in NRS
42 244A.037, 244A.053 and 244A.055, ~~within~~ **respectively:**

43 (1) **Within** the boundaries of the county ~~for within~~ ;
44 (2) **Within** 1 mile outside ~~those~~ **the** boundaries **of the county** if the
45 board of county commissioners finds that such projects outside the
46 boundaries of the county will facilitate transportation within the county; **or**
47 (3) **Within 30 miles outside the boundaries of the county and the**
48 **boundaries of this state, where those boundaries are coterminous, if:**



1 (I) *The projects consist of improvements to a highway which is*
2 *located wholly or partially outside the boundaries of this state and which*
3 *connects this state to an interstate highway; and*

4 (II) *The board of county commissioners finds that such projects*
5 *will provide a significant economic benefit to the county;*

6 (b) The principal and interest on notes, bonds or other obligations
7 incurred to fund projects described in paragraph (a); or

8 (c) Any combination of those uses.

9 6. In a transportation district in which a tax has been imposed pursuant
10 to paragraph (b) of subsection 1, the revenue derived from the tax must be
11 used exclusively to pay the cost of:

12 (a) Projects related to the construction and maintenance of sidewalks,
13 streets, avenues, boulevards, highways and other public rights of way used
14 primarily for vehicular traffic, including, without limitation, overpass
15 projects, street projects and underpass projects, as defined in NRS
16 244A.037, 244A.053 and 244A.055, *respectively*, within the boundaries of
17 the district or within such a distance outside those boundaries as is stated in
18 the ordinance imposing the tax, if the board of county commissioners finds
19 that such projects outside the boundaries of the district will facilitate
20 transportation within the district;

21 (b) The principal and interest on notes, bonds or other obligations
22 incurred to fund projects described in paragraph (a); or

23 (c) Any combination of those uses.

24 7. The county may expend the proceeds of the tax authorized by this
25 section, or any borrowing in anticipation of the tax, pursuant to an
26 interlocal agreement between the county and the regional transportation
27 commission of the county with respect to the projects to be financed with
28 the proceeds of the tax.

29 8. The provisions of chapter 278B of NRS and any action taken
30 pursuant to that chapter do not limit or in any other way apply to any tax
31 imposed pursuant to this section.

32 **Sec. 3.** NRS 371.045 is hereby amended to read as follows:

33 371.045 1. A board of county commissioners may by ordinance, but
34 not as in a case of emergency, after receiving the approval of a majority of
35 the registered voters voting on the question at a primary, general or special
36 election, impose a supplemental privilege tax of not more than 1 cent on
37 each \$1 of valuation of the vehicle for the privilege of operating upon the
38 public streets, roads and highways of the county on each vehicle based in
39 the county except:

40 (a) A vehicle exempt from the motor vehicle privilege tax pursuant to
41 this chapter; or

42 (b) A vehicle subject to NRS 706.011 to 706.861, inclusive, which is
43 engaged in interstate or intercounty operations.

44 2. A county may combine this question with questions submitted
45 pursuant to NRS 244.3351, 278.710 or 377A.020, or any combination
46 thereof.

47 3. A special election may be held only if the board of county
48 commissioners determines, by a unanimous vote, that an emergency exists.
49 The determination made by the board is conclusive unless it is shown that



1 the board acted with fraud or a gross abuse of discretion. An action to
2 challenge the determination made by the board must be commenced within
3 15 days after the board's determination is final. As used in this subsection,
4 "emergency" means any unexpected occurrence or combination of
5 occurrences which requires immediate action by the board of county
6 commissioners to prevent or mitigate a substantial financial loss to the
7 county or to enable the board to provide an essential service to the
8 residents of the county.

9 4. Collection of the tax imposed pursuant to this section must not
10 commence earlier than the first day of the second calendar month after
11 adoption of the ordinance imposing the tax.

12 5. Except as otherwise provided in subsection 6 and NRS 371.047, the
13 county shall use the proceeds of the tax to pay the cost of:

14 (a) Projects related to the construction and maintenance of sidewalks,
15 streets, avenues, boulevards, highways and other public rights of way used
16 primarily for vehicular traffic, including, without limitation, overpass
17 projects, street projects or underpass projects, as defined in NRS 244A.037,
18 244A.053 and 244A.055, ~~within~~ *respectively*:

19 (1) *Within* the boundaries of the county ~~for within~~ ;

20 (2) *Within* 1 mile outside ~~those~~ *the* boundaries *of the county* if the
21 board of county commissioners finds that such projects outside the
22 boundaries of the county will facilitate transportation within the county; *or*

23 (3) *Within 30 miles outside the boundaries of the county and the*
24 *boundaries of this state, where those boundaries are coterminous, if:*

25 (I) *The projects consist of improvements to a highway which is*
26 *located wholly or partially outside the boundaries of this state and which*
27 *connects this state to an interstate highway; and*

28 (II) *The board of county commissioners finds that such projects*
29 *will provide a significant economic benefit to the county;*

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

32 (c) Any combination of those uses.

33 6. The county may expend the proceeds of the supplemental privilege
34 tax authorized by this section and NRS 371.047, or any borrowing in
35 anticipation of that tax, pursuant to an interlocal agreement between the
36 county and the regional transportation commission of the county with
37 respect to the projects to be financed with the proceeds of the tax.

38 7. As used in this section, "based" has the meaning ascribed to it in
39 NRS 482.011.

40 **Sec. 4.** Section 5 of Senate Bill No. 59 of this session is hereby
41 amended to read as follows:

42 Sec. 5. NRS 371.045 is hereby amended to read as follows:

43 371.045 1. A board of county commissioners may by ordinance,
44 but not as in a case of emergency, after receiving the approval of a
45 majority of the registered voters voting on the question at a primary,
46 general or special election, impose a supplemental ~~privilege~~
47 *governmental services* tax of not more than 1 cent on each \$1 of
48 valuation of the vehicle for the privilege of operating upon the public



* S B 3 6 3 R 1 *

streets, roads and highways of the county on each vehicle based in the county except:

(a) A vehicle exempt from the ~~motor vehicle privilege~~ *governmental services* tax pursuant to this chapter; or

(b) A vehicle subject to NRS 706.011 to 706.861, inclusive, which is engaged in interstate or intercounty operations.

2. A county may combine this question with questions submitted pursuant to NRS 244.3351, 278.710 or 377A.020, or any combination thereof.

3. A special election may be held only if the board of county commissioners determines, by a unanimous vote, that an emergency exists. The determination made by the board is conclusive unless it is shown that the board acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board must be commenced within 15 days after the board's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the board of county commissioners to prevent or mitigate a substantial financial loss to the county or to enable the board to provide an essential service to the residents of the county.

4. Collection of the tax imposed pursuant to this section must not commence earlier than the first day of the second calendar month after adoption of the ordinance imposing the tax.

5. Except as otherwise provided in subsection 6 and NRS 371.047, the county shall use the proceeds of the tax to pay the cost of:

(a) Projects related to the construction and maintenance of sidewalks, streets, avenues, boulevards, highways and other public rights of way used primarily for vehicular traffic, including, without limitation, overpass projects, street projects or underpass projects, as defined in NRS 244A.037, 244A.053 and 244A.055, respectively:

(1) Within the boundaries of the county;

(2) Within 1 mile outside the boundaries of the county if the board of county commissioners finds that such projects outside the boundaries of the county will facilitate transportation within the county; or

(3) Within 30 miles outside the boundaries of the county and the boundaries of this state, where those boundaries are coterminous, if:

(I) The projects consist of improvements to a highway which is located wholly or partially outside the boundaries of this state and which connects this state to an interstate highway; and

(II) The board of county commissioners finds that such projects will provide a significant economic benefit to the county;

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

(c) Any combination of those uses.

6. The county may expend the proceeds of the supplemental ~~privilege~~ *governmental services* tax authorized by this section and NRS 371.047, or any borrowing in anticipation of that tax, pursuant to



* S B 3 6 3 R 1 *

1 an interlocal agreement between the county and the regional
2 transportation commission of the county with respect to the projects to
3 be financed with the proceeds of the tax.
4 7. As used in this section, “based” has the meaning ascribed to it
5 in NRS 482.011.
6 **Sec. 5.** This act becomes effective upon passage and approval.

