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FIRST REPRINT

EXEMPT

S.B. 496

SENATE BILL NO. 496—COMMITTEE ON FINANCE

MARCH 26, 2001

Referred to Committee on Finance

SUMMARY—Authorizes issuance of revenue bonds to finance certain buildings at Great Basin College and increases maximum amount of revenue bonds previously authorized to finance facilities of University and Community College System of Nevada (BDR S-1226)

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 the University and Community College System of Nevada; authorizing the issuance of revenue bonds to pay a portion of the cost of constructing buildings for student housing and dining at the Great Basin College; increasing the maximum amount of revenue bonds authorized by chapter 501, Statutes of Nevada, 1991, for the financing of facilities required or desired by the University of Nevada, Las Vegas, and the University of Nevada, Reno; 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.** 1. Except as otherwise provided in this section, the terms
2 used or referred to in this section have the meanings ascribed to them in the
3 University Securities Law. As used in this section, unless the context
4 otherwise requires:
5 (a) “Net pledged revenues” means all the pledged revenues, without any
6 deduction of any operation and maintenance expenses, except as otherwise
7 provided in the definition of “pledged revenues.”
8 (b) “Pledged revenues”:
9 (1) Means, in connection with securities issued pursuant to this
10 section to finance in part the project designated in paragraph (c):
11 (I) The gross revenues derived from or otherwise pertaining to the
12 operation of any one, all, or any combination of facilities enumerated in
13 NRS 396.828 and situated on the campuses of the community colleges,
14 including, without limitation, the Great Basin College, of the University
15 and Community College System of Nevada, including, without limitation,
16 the project, which revenues the board, by the resolution authorizing the
17 securities issued pursuant to this section, determines to pledge for the



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1 payment of the securities, after the deduction of the expenses of operation
2 and maintenance of those facilities pertaining to those pledged revenues;
3 and

4 (II) The gross revenues derived from the imposition and collection
5 of the fees designated in NRS 396.8395, payable by the students attending
6 any of the community colleges, including, without limitation, the Great
7 Basin College, of the University and Community College System of
8 Nevada, subject to the limitation provided in subsection 5 of NRS 396.840;

9 (2) Includes, in connection with students attending those community
10 colleges, any fees of students authorized by law after the effective date of
11 this section, all grants, conditional or unconditional, from the Federal
12 Government for the payment of any securities requirements, if any, and net
13 revenues, if any, to be derived from the operations of income-producing
14 facilities of the community colleges, including, without limitation, the
15 Great Basin College, the board or from other available sources, and to
16 which fees, grants and revenues, the pledge and lien provided for the
17 payment of the securities authorized in this section and any other securities
18 payable therefrom are extended after the effective date of this section; and

19 (3) Indicates a source of revenues and does not necessarily indicate
20 all or any portion of such revenues in the absence of further qualification.

21 (c) "Project" means the construction, other acquisition and
22 improvement, or any combination thereof, of a building or buildings for
23 student housing and dining at the Great Basin College, equipment and
24 furnishings therefor, and other appurtenances relating thereto.

25 2. The board, on behalf and in the name of the university, is authorized
26 by this section, as supplemented by the provisions of the University
27 Securities Law:

28 (a) To finance the project by the issuance of bonds and other securities
29 of the university in a total principal amount not exceeding \$3,000,000,
30 except that if the board sells any of the bonds or other securities at a
31 discount, the total principal amount of the bonds and other securities the
32 board is authorized to issue increases by an amount equal to the amount of
33 the discount at which the bonds or other securities are sold;

34 (b) To issue the bonds and other securities in connection with the
35 project in one series or more at any time or from time to time, but not later
36 than 5 years after the effective date of this section, as the board determines,
37 and consisting of special obligations of the university payable from the net
38 pledged revenues authorized by this section and which may subsequently
39 be payable from other net pledged revenues, secured by a pledge thereof
40 and a lien thereon, subject to existing contractual limitations, and subject to
41 the limitations in paragraph (a);

42 (c) To employ legal, fiscal and other expert services and to defray the
43 costs thereof with any money available therefor, including, without
44 limitation, proceeds of securities authorized by this section; and

45 (d) To exercise the incidental powers provided in the University
46 Securities Law in connection with the powers authorized by this section
47 except as otherwise expressly provided in this section.



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1 3. This section does not prevent the board from funding, refunding or
2 reissuing any securities of the university or the board at any time as
3 provided in the University Securities Law.

4 4. The powers conferred by this section are in addition to and
5 supplemental to, and the limitations imposed by this section do not affect
6 the powers conferred by any other law, general or special. Securities may
7 be issued under this section without regard to the procedure required by
8 any other such law except as otherwise provided in this section or in the
9 University Securities Law. Insofar as the provisions of this section are
10 inconsistent with the provisions of any other law, general or special, the
11 provisions of this section control.

12 5. The legislature intends that this section, being necessary to secure
13 and preserve the public health, safety, convenience and welfare, be
14 liberally construed to effect its purposes.

15 6. If any provision of this section or the application thereof to any
16 person, thing or circumstances is held invalid, that invalidity does not
17 affect the provisions or application of this section that can be given effect
18 without the invalid provisions or application, and to this end the provisions
19 of this section are declared to be severable.

20 **Sec. 2.** Section 5 of chapter 501, Statutes of Nevada 1991, as last
21 amended by section 2 of chapter 519, Statutes of Nevada 1999, at page
22 2644, is hereby amended to read as follows:

23 **Sec. 5.** 1. The board, on behalf and in the name of the
24 university, is authorized by this act, as supplemented by the
25 provisions of the University Securities Law:

26 (a) To finance the project by the issuance of bonds and other
27 securities of the university in a total principal amount not exceeding
28 ~~(\$25,000,000)~~ **\$88,500,000** for facilities at the University of Nevada,
29 Reno, and in a total principal amount not exceeding ~~(\$67,500,000)~~
30 **\$106,500,000** for facilities at the University of Nevada, Las Vegas,
31 \$35,000,000 of which may be used for the construction, other
32 acquisition and improvement of a dental school and other structures
33 and clinics associated with the dental school.

34 (b) To issue such bonds and other securities in connection with the
35 projects in one series or more at any time or from time to time within
36 18 years after the effective date of this act, as the board may
37 determine, and consisting of special obligations of the university
38 payable from the net pledged revenues authorized by this act possible
39 subsequently other net pledged revenues, secured by a pledge thereof
40 and a lien thereon, subject to existing contractual limitations, and
41 subject to the limitation in paragraph (a);

42 (c) To employ legal, fiscal and other expert services and to defray
43 the costs thereof with any money available therefor, including,
44 proceeds of securities authorized by this act; and

45 (d) To exercise the incidental powers provided in this University
46 Securities Law in connection with the powers authorized by this act
47 except as otherwise expressly provided in this act.

48 2. If the board determines to sell the bonds authorized by
49 subsection 1 at a discount from their face amount, the principal



1 amount of bonds which the board is authorized to issue provided in
2 subsection 1 is increased by an amount equal to the discount at which
3 the bonds are sold.

4 3. This act does not limit the board in funding, refunding or
5 reissuing any securities of the university or the board at any time as
6 provided in the University Securities Law.

7 **Sec. 3.** This act becomes effective upon passage and approval.

