

SENATE BILL NO. 237—SENATORS RAGGIO AND TITUS

MARCH 5, 2003

JOINT SPONSORS: ASSEMBLYMEN PERKINS AND HETTRICK

Referred to Committee on Taxation

SUMMARY—Carries out certain advisory questions relating to funding for regional transportation. (BDR 32-942)

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 taxation; carrying out certain advisory questions relating to funding for regional transportation; revising the maximum rate, allocation or use of certain taxes for regional transportation; authorizing certain counties to impose additional taxes on motor vehicle fuel and to increase certain impact fees for new development; 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.** NRS 365.545 is hereby amended to read as follows:
2 365.545 1. The proceeds of all taxes on fuel for jet or
3 turbine-powered aircraft imposed pursuant to the provisions of NRS
4 365.170 or 365.203 must be deposited in the Account for Taxes on
5 Fuel for Jet or Turbine-Powered Aircraft in the State General Fund
6 and , *except as otherwise provided in this subsection*, must be
7 allocated monthly by the Department to the governmental entity
8 which owns the airport at which the tax was collected ~~[]~~ or , if the
9 airport is privately owned, to the county in which the airport is
10 located.

11 ~~[2. The money so received must]~~ *In a county whose*
12 *population is 400,000 or more and in which a regional*



1 *transportation commission has been created pursuant to chapter*
2 *373 of NRS, the proceeds of the tax imposed pursuant to*
3 *subparagraph (1) of paragraph (b) of subsection 1 of NRS 365.170*
4 *on fuel for jet or turbine-powered aircraft sold, distributed or used*
5 *in that county, excluding the proceeds of any tax imposed*
6 *pursuant to NRS 365.203, must be allocated monthly by the*
7 *Department to that regional transportation commission.*
8 *2. Except as otherwise provided in subsection 3, the money*
9 *allocated pursuant to subsection 1:*
10 *(a) Must be used by the governmental entity receiving it to pay*
11 *the cost of:*
12 ~~[(a)]~~ *(1) Transportation projects related to airports, including*
13 *access on the ground to airports;*
14 ~~[(b) Payment]~~
15 *(2) The payment of principal and interest on notes, bonds or*
16 *other obligations incurred to fund projects described in [paragraph*
17 ~~(a);~~
18 ~~—(c)] subparagraph (1);~~
19 *(3) Promoting the use of an airport, including, without*
20 *limitation, increasing the number and availability of flights at the*
21 *airport;*
22 ~~[(d)]~~ *(4) Contributing money to the Trust Fund for Aviation*
23 *created by NRS 494.048; or*
24 ~~[(e)]~~ *(5) Any combination of those purposes [*
25 ~~3. Money so received may]; and~~
26 *(b) May also be pledged for the payment of general or special*
27 *obligations issued to fund projects described in paragraph (a) . [of*
28 ~~subsection 2-~~
29 ~~—4.] Any money pledged pursuant to [the provisions of~~
30 ~~subsection 3] this paragraph~~ *may be treated as pledged revenues of*
31 *the project for the purposes of subsection 3 of NRS 350.020.*
32 *3. The money allocated pursuant to subsection 1 to a regional*
33 *transportation commission:*
34 *(a) Must be used by the regional transportation commission:*
35 *(1) To pay the cost of transportation projects described in a*
36 *regional plan for transportation established by that regional*
37 *transportation commission pursuant to NRS 373.1161;*
38 *(2) For the payment of principal and interest on notes,*
39 *bonds or other obligations incurred to fund projects described in*
40 *subparagraph (1); or*
41 *(3) For any combination of those purposes; and*
42 *(b) May also be pledged for the payment of general or special*
43 *obligations issued to fund projects described in paragraph (a). Any*
44 *money pledged pursuant to this paragraph may be treated as*



1 *pledged revenues of the project for the purposes of subsection 3 of*
2 *NRS 350.020.*

3 **Sec. 2.** Chapter 373 of NRS is hereby amended by adding
4 thereto a new section to read as follows:

5 *1. In a county whose population is 100,000 or more but less*
6 *than 400,000:*

7 *(a) The board may by ordinance impose:*

8 *(1) An excise tax on each gallon of motor vehicle fuel,*
9 *except aviation fuel, sold in the county in an amount equal to the*
10 *sum obtained by multiplying the amount of the tax imposed*
11 *pursuant to NRS 365.180 by the lesser of 4.5 percent or the*
12 *average percentage of increase in the Consumer Price Index for*
13 *West Urban Consumers for the preceding 5 years; and*

14 *(2) An annual increase in the tax imposed pursuant to*
15 *subparagraph (1), on the first day of each fiscal year following the*
16 *fiscal year in which that tax becomes effective, in an amount equal*
17 *to the sum of the tax imposed pursuant to NRS 365.180 and the*
18 *tax imposed pursuant to subparagraph (1) during the preceding*
19 *fiscal year, multiplied by the lesser of 4.5 percent or the average*
20 *percentage of increase in the Consumer Price Index for West*
21 *Urban Consumers for the preceding 5 years.*

22 *(b) If the board does not, pursuant to subsection 3 of NRS*
23 *365.190, decline to accept the tax levied pursuant to that section,*
24 *the board may by ordinance impose:*

25 *(1) An excise tax on each gallon of motor vehicle fuel,*
26 *except aviation fuel, sold in the county in an amount equal to the*
27 *sum obtained by multiplying the amount of the tax imposed*
28 *pursuant to NRS 365.190 by the lesser of 4.5 percent or the*
29 *average percentage of increase in the Consumer Price Index for*
30 *West Urban Consumers for the preceding 5 years; and*

31 *(2) An annual increase in the tax imposed pursuant to*
32 *subparagraph (1), on the first day of each fiscal year following the*
33 *fiscal year in which that tax becomes effective, in an amount equal*
34 *to the sum of the tax imposed pursuant to NRS 365.190 and the*
35 *tax imposed pursuant to subparagraph (1) during the preceding*
36 *fiscal year, multiplied by the lesser of 4.5 percent or the average*
37 *percentage of increase in the Consumer Price Index for West*
38 *Urban Consumers for the preceding 5 years.*

39 *(c) The board may by ordinance impose:*

40 *(1) An excise tax on each gallon of motor vehicle fuel,*
41 *except aviation fuel, sold in the county in an amount equal to the*
42 *sum obtained by multiplying the amount of the tax imposed*
43 *pursuant to NRS 365.192 by the lesser of 4.5 percent or the*
44 *average percentage of increase in the Consumer Price Index for*
45 *West Urban Consumers for the preceding 5 years; and*



1 (2) *An annual increase in the tax imposed pursuant to*
2 *subparagraph (1), on the first day of each fiscal year following the*
3 *fiscal year in which that tax becomes effective, in an amount equal*
4 *to the sum of the tax imposed pursuant to NRS 365.192 and the*
5 *tax imposed pursuant to subparagraph (1) during the preceding*
6 *fiscal year, multiplied by the lesser of 4.5 percent or the average*
7 *percentage of increase in the Consumer Price Index for West*
8 *Urban Consumers for the preceding 5 years.*

9 (d) *If the board imposes a tax pursuant to paragraph (b) of*
10 *subsection 1 of NRS 373.030, the board may by ordinance impose:*

11 (1) *An excise tax on each gallon of motor vehicle fuel,*
12 *except aviation fuel and leaded racing fuel, sold in the county in*
13 *an amount equal to the sum obtained by multiplying the amount*
14 *of the tax imposed pursuant to paragraph (b) of subsection 1 of*
15 *NRS 373.030 by the lesser of 4.5 percent or the average*
16 *percentage of increase in the Consumer Price Index for West*
17 *Urban Consumers for the preceding 5 years; and*

18 (2) *An annual increase in the tax imposed pursuant to*
19 *subparagraph (1), on the first day of each fiscal year following the*
20 *fiscal year in which that tax becomes effective, in an amount equal*
21 *to the sum of the tax imposed pursuant to paragraph (b) of*
22 *subsection 1 of NRS 373.030 and the tax imposed pursuant to*
23 *subparagraph (1) during the preceding fiscal year, multiplied by*
24 *the lesser of 4.5 percent or the average percentage of increase in*
25 *the Consumer Price Index for West Urban Consumers for the*
26 *preceding 5 years.*

27 2. *Any ordinance authorized by this section may be adopted*
28 *in combination with any other ordinance authorized by this*
29 *section. Each tax imposed pursuant to this section is in addition to*
30 *any other motor vehicle fuel taxes imposed pursuant to the*
31 *provisions of this chapter and chapter 365 of NRS. Upon adoption*
32 *of an ordinance authorized by this section, no further action by*
33 *the board is necessary to effectuate the annual increases.*

34 3. *Any ordinance adopted pursuant to this section must*
35 *become effective on the first day of the first calendar quarter*
36 *beginning not less than 90 days after the adoption of the*
37 *ordinance.*

38 4. *Any ordinance adopted pursuant to:*

39 (a) *Paragraph (a) of subsection 1 must:*

40 (1) *Require the allocation, disbursement and use in the*
41 *county of the proceeds of the tax imposed pursuant to that*
42 *ordinance in the same proportions and manner as the allocation,*
43 *disbursement and use in the county of the proceeds of the tax*
44 *imposed pursuant to NRS 365.180; and*



1 (2) *Expire by limitation on the effective date of any*
2 *increase or decrease in the amount of the tax imposed pursuant to*
3 *NRS 365.180 which becomes effective after the adoption of that*
4 *ordinance.*

5 (b) *Paragraph (b) of subsection 1 must:*

6 (1) *Require the allocation, disbursement and use in the*
7 *county of the proceeds of the tax imposed pursuant to that*
8 *ordinance in the same proportions and manner as the allocation,*
9 *disbursement and use in the county of the proceeds of the tax*
10 *imposed pursuant to NRS 365.190; and*

11 (2) *Expire by limitation on the effective date of any*
12 *increase or decrease in the amount of the tax imposed pursuant to*
13 *NRS 365.190 which becomes effective after the adoption of that*
14 *ordinance.*

15 (c) *Paragraph (c) of subsection 1 must:*

16 (1) *Require the allocation, disbursement and use in the*
17 *county of the proceeds of the tax imposed pursuant to that*
18 *ordinance in the same proportions and manner as the allocation,*
19 *disbursement and use in the county of the proceeds of the tax*
20 *imposed pursuant to NRS 365.192; and*

21 (2) *Expire by limitation on the effective date of any*
22 *increase or decrease in the amount of the tax imposed pursuant to*
23 *NRS 365.192 which becomes effective after the adoption of that*
24 *ordinance.*

25 (d) *Paragraph (d) of subsection 1 must:*

26 (1) *Require the allocation, disbursement and use in the*
27 *county of the proceeds of the tax imposed pursuant to that*
28 *ordinance in the same proportions and manner as the allocation,*
29 *disbursement and use in the county of the proceeds of the tax*
30 *imposed pursuant to paragraph (b) of subsection 1 of NRS*
31 *373.030; and*

32 (2) *Expire by limitation on the effective date of any*
33 *subsequent ordinance increasing or decreasing the amount of the*
34 *tax imposed in that county pursuant to paragraph (b) of*
35 *subsection 1 of NRS 373.030.*

36 **Sec. 3.** NRS 373.070 is hereby amended to read as follows:

37 373.070 Any motor vehicle fuel tax ordinance enacted under
38 this chapter must include provisions in substance as follows:

39 1. A provision imposing the additional excise tax and stating
40 the amount of the tax per gallon of fuel.

41 2. Provisions identical to those contained in chapter 365 of
42 NRS on the date of enactment of the ordinance, insofar as
43 applicable, except that the name of the county as taxing agency must
44 be substituted for that of the State and that an additional supplier's
45 license is not required.



1 3. A provision that all amendments to chapter 365 of NRS
2 subsequent to the date of enactment of the ordinance, not
3 inconsistent with this chapter, automatically become a part of the
4 motor vehicle fuel tax ordinance of the county.

5 4. A provision that the county shall contract ~~prior to~~ *before*
6 the effective date of the county motor vehicle fuel tax ordinance
7 with the Department to perform all functions incident to the
8 administration or operation of the motor vehicle fuel tax ordinance
9 of the county ~~and~~, *including, if the ordinance is enacted pursuant*
10 *to section 2 of this act, the calculation of each annual increase in*
11 *the tax imposed pursuant to the ordinance.*

12 **Sec. 4.** NRS 373.075 is hereby amended to read as follows:

13 373.075 Any ordinance amending ~~the~~ *a* motor fuel tax
14 ordinance *enacted pursuant to this chapter* shall include a
15 provision in substance that the county shall amend the contract
16 made under subsection 4 of NRS 373.070 by a contract made
17 between the county and the State acting by and through the
18 Department ~~prior to~~ *before* the effective date of such amendatory
19 ordinance, unless the county determines with the written
20 concurrence of the commission that no such amendment of the
21 contract is necessary or desirable.

22 **Sec. 5.** NRS 373.090 is hereby amended to read as follows:

23 373.090 1. For the purpose of ~~the~~ *each* tax imposed by an
24 ordinance enacted pursuant to this chapter, motor vehicle fuel is sold
25 at the place where it is distributed from a terminal.

26 2. As used in this section, "terminal" has the meaning ascribed
27 to it in NRS 365.088.

28 **Sec. 6.** NRS 373.110 is hereby amended to read as follows:

29 373.110 ~~1. Except as provided in NRS 373.119, all~~ *All the*
30 net proceeds of the county motor vehicle fuel tax :

31 *1. Imposed pursuant to paragraph (b) of subsection 1 of NRS*
32 *373.030 or paragraph (d) of subsection 1 of section 2 of this act*
33 *which are* received by the county pursuant to NRS 373.080 ~~shall~~
34 *must, except as otherwise provided in NRS 373.119,* be deposited
35 by the county treasurer in a fund to be known as the regional street
36 and highway fund in the county treasury, and disbursed only in
37 accordance with the provisions of this chapter.

38 ~~2.~~ After July 1, 1975, the regional street and highway fund
39 must be accounted for as a separate fund and not as a part of any
40 other fund.

41 *2. Imposed pursuant to paragraph (a), (b) or (c) of subsection*
42 *1 of section 2 of this act which are received by the county pursuant*
43 *to NRS 373.080 must be allocated, disbursed and used as provided*
44 *in the ordinance imposing the tax.*



1 **Sec. 7.** NRS 373.119 is hereby amended to read as follows:
2 373.119 1. Except to the extent pledged before July 1, 1985,
3 the board may use that portion of the revenue collected pursuant to
4 the provisions of this chapter *from any taxes imposed pursuant to*
5 *paragraph (b) of subsection 1 of NRS 373.030 or paragraph (d) of*
6 *subsection 1 of section 2 of this act* that represents collections from
7 the sale of fuel for use in boats at marinas in the county to make
8 capital improvements or to conduct programs to encourage safety in
9 boating. If the county does not control a body of water, where an
10 improvement or program is appropriate, the board may contract with
11 an appropriate person or governmental organization for the
12 improvement or program.

13 2. Each marina shall report monthly to the Department
14 the number of gallons of motor vehicle fuel sold for use in boats.
15 The report must be made on or before the 25th day of each month
16 for sales during the preceding month.

17 **Sec. 8.** NRS 373.130 is hereby amended to read as follows:

18 373.130 1. Money for the payment of the cost of a project
19 within the area embraced by a regional plan for transportation
20 established pursuant to NRS 373.1161 may be obtained by the
21 issuance of revenue bonds and other revenue securities as provided
22 in subsection 2, or, subject to any pledges, liens and other
23 contractual limitations made pursuant to the provisions of this
24 chapter, may be obtained by direct distribution from the regional
25 street and highway fund, except to the extent any such use is
26 prevented by the provisions of NRS 373.150, or may be obtained
27 both by the issuance of such securities and by such direct
28 distribution, as the board may determine. Money for street and
29 highway construction outside the area embraced by the plan may be
30 distributed directly from the regional street and highway fund as
31 provided in NRS 373.150.

32 2. The board may, after the enactment of an ordinance as
33 authorized by *paragraph (b) of subsection 1 of* NRS 373.030 ~~§~~ *or*
34 *paragraph (d) of subsection 1 of section 2 of this act*, issue revenue
35 bonds and other revenue securities, on the behalf and in the name of
36 the county:

37 (a) The total of all of which, issued and outstanding at any one
38 time, must not be in an amount requiring a total debt service in
39 excess of the estimated receipts to be derived from the ~~tax~~ *taxes*
40 imposed pursuant to the provisions of *paragraph (b) of subsection 1*
41 *of* NRS 373.030 ~~§~~ *and paragraph (d) of subsection 1 of section 2*
42 *of this act;*

43 (b) Which must not be general obligations of the county or a
44 charge on any real estate therein; and



1 (c) Which may be secured as to principal and interest by a
2 pledge authorized by this chapter of the receipts from the motor
3 vehicle fuel taxes designated in this chapter, except such portion of
4 the receipts as may be required for the direct distributions
5 authorized by NRS 373.150.

6 3. A county is authorized to issue bonds without the necessity
7 of their being authorized at any election in such manner and with
8 such terms as provided in this chapter.

9 4. Subject to the provisions of this chapter, for any project
10 authorized therein, the board of any county may, on the behalf and
11 in the name of the county, borrow money, otherwise become
12 obligated, and evidence obligations by the issuance of bonds and
13 other county securities, and in connection with the undertaking or
14 project, the board may otherwise proceed as provided in the Local
15 Government Securities Law.

16 5. All such securities constitute special obligations payable
17 from the net receipts of the motor vehicle fuel taxes designated in
18 this chapter except as otherwise provided in NRS 373.150, and the
19 pledge of revenues to secure the payment of the securities must be
20 limited to ~~the~~ *those* net receipts.

21 6. Except for:

22 (a) Any notes or warrants which are funded with the proceeds of
23 interim debentures or bonds;

24 (b) Any interim debentures which are funded with the proceeds
25 of bonds;

26 (c) Any temporary bonds which are exchanged for definitive
27 bonds;

28 (d) Any bonds which are reissued or which are refunded; and

29 (e) The use of any profit from any investment and reinvestment
30 for the payment of any bonds or other securities issued pursuant to
31 the provisions of this chapter,

32 all bonds and other securities issued pursuant to the provisions of
33 this chapter must be payable solely from the proceeds of motor
34 vehicle fuel taxes collected by or remitted to the county pursuant to
35 chapter 365 of NRS, as supplemented by this chapter. Receipts of
36 the taxes levied in NRS 365.180 and 365.190 *and pursuant to*
37 *paragraphs (a) and (b) of subsection 1 of section 2 of this act* may
38 be used by the county for the payment of securities issued pursuant
39 to the provisions of this chapter and may be pledged therefor. If
40 during any period any securities payable from these tax proceeds are
41 outstanding, the tax receipts must not be used directly for the
42 construction, maintenance and repair of any streets, roads or other
43 highways nor for any purchase of equipment therefor, and the
44 receipts of the tax levied in NRS 365.190 must not be apportioned
45 pursuant to subsection 2 of NRS 365.560 unless, at any time the tax



1 receipts are so apportioned, provision has been made in a timely
2 manner for the payment of such outstanding securities as to the
3 principal of, any prior redemption premiums due in connection with,
4 and the interest on the securities as they become due, as provided in
5 the securities, the ordinance authorizing their issuance, and any
6 other instrument appertaining to the securities.

7 7. The ordinance authorizing the issuance of any bond or other
8 revenue security hereunder must describe the purpose for which it is
9 issued at least in general terms and may describe the purpose in
10 detail. This section does not require the purpose so stated to be set
11 forth in the detail in which the project approved by the commission
12 pursuant to subsection 2 of NRS 373.140 is stated, or prevent the
13 modification by the board of details as to the purpose stated in the
14 ordinance authorizing the issuance of any bond or other security
15 after its issuance, subject to approval by the commission of the
16 project as so modified.

17 **Sec. 9.** NRS 373.140 is hereby amended to read as follows:

18 373.140 1. After the enactment of an ordinance as authorized
19 in NRS 373.030, all street and highway construction, surfacing or
20 resurfacing projects in the county which are proposed to be financed
21 from ~~[the]~~ a county motor vehicle fuel tax *imposed pursuant to*
22 *paragraph (b) of subsection 1 of NRS 373.030 or paragraph (d) of*
23 *subsection 1 of section 2 of this act* must first be submitted to the
24 regional transportation commission.

25 2. ~~[Where]~~ *If* the project is within the area covered by a
26 regional plan for transportation established pursuant to NRS
27 373.1161, the commission shall evaluate it in terms of:

- 28 (a) The priorities established by the plan;
29 (b) The relation of the proposed work to other projects already
30 constructed or authorized;
31 (c) The relative need for the project in comparison with others
32 proposed; and
33 (d) The money available.

34 If the commission approves the project, the board may authorize the
35 project, using all or any part of the proceeds of the county motor
36 vehicle fuel tax authorized ~~[by this chapter,]~~ *pursuant to paragraph*
37 *(b) of subsection 1 of NRS 373.030 or paragraph (d) of subsection*
38 *1 of section 2 of this act*, except to the extent any such use is
39 prevented by the provisions for direct distribution required by NRS
40 373.150 or is prevented by any pledge to secure the payment of
41 outstanding bonds, other securities or other obligations incurred
42 hereunder, and other contractual limitations appertaining to such
43 obligations as authorized by NRS 373.160, and the proceeds of
44 revenue bonds or other securities issued or to be issued as provided
45 in NRS 373.130. Except as otherwise provided in subsection 3, if



1 the board authorizes the project, the responsibilities for letting
2 construction and other necessary contracts, contract administration,
3 supervision and inspection of work and the performance of other
4 duties related to the acquisition of the project must be specified in
5 written agreements executed by the board and the governing bodies
6 of the cities and towns within the area covered by a regional plan for
7 transportation established pursuant to NRS 373.1161.

8 3. In a county in which two or more governmental entities are
9 represented on the commission, the governing bodies of those
10 governmental entities may enter into a written master agreement that
11 allows a written agreement described in subsection 2 to be executed
12 by only the commission and the governmental entity that receives
13 funding for the approved project. The provisions of a written master
14 agreement must not be used until the governing body of each
15 governmental entity represented on the commission ratifies the
16 written master agreement.

17 4. ~~Where~~ *If* the project is outside the area covered by a plan,
18 the commission shall evaluate it in terms of:

19 (a) Its relation to the regional plan for transportation established
20 pursuant to NRS 373.1161 if any;

21 (b) The relation of the proposed work to other projects
22 constructed or authorized;

23 (c) The relative need for the proposed work in relation to others
24 proposed by the same city or town; and

25 (d) The availability of money.

26 If the commission approves the project, the board shall direct the
27 county treasurer to distribute the sum approved to the city or town
28 requesting the project, in accordance with NRS 373.150.

29 5. In counties whose population is less than 100,000, the
30 commission shall certify the adoption of the plan in compliance with
31 subsections 2 and 4.

32 **Sec. 10.** NRS 373.160 is hereby amended to read as follows:

33 373.160 1. The ordinance or ordinances providing for the
34 issuance of any bonds or other securities issued hereunder payable
35 from the receipts from the motor vehicle fuel excise taxes herein
36 designated may at the discretion of the board, in addition to
37 covenants and other provisions authorized in the Local Government
38 Securities Law, contain covenants or other provisions as to the
39 pledge of and the creation of a lien upon the receipts of the ~~tax~~
40 *taxes* collected for the county ~~hereunder~~ *pursuant to paragraph*
41 *(b) of subsection 1 of NRS 373.030 and paragraph (d) of*
42 *subsection 1 of section 2 of this act*, excluding any tax proceeds to
43 be distributed directly under the provisions of NRS 373.150, ~~or~~
44 the proceeds of the bonds or other securities pending their
45 application to defray the cost of the project, or both such tax



1 proceeds and security proceeds, to secure the payment of revenue
2 bonds or other securities issued hereunder.

3 2. If the board determines in any ordinance authorizing the
4 issuance of any bonds or other securities hereunder that the proceeds
5 of the ~~{tax}~~ *taxes* levied and collected pursuant to ~~{the County Motor~~
6 ~~Vehicle Fuel Tax Law}~~ *paragraph (b) of subsection 1 of NRS*
7 *373.030 and paragraph (d) of subsection 1 of section 2 of this act*
8 are sufficient to pay all bonds and securities, including the proposed
9 issue, from the proceeds thereof, the board may additionally secure
10 the payment of any bonds or other securities issued pursuant to *the*
11 ordinance hereunder by a pledge of and the creation of a lien upon
12 not only the proceeds of any motor *vehicle* fuel tax authorized at the
13 time of the issuance of such securities to be used for such payment
14 in subsection 6 of NRS 373.130, but also the proceeds of any such
15 tax thereafter authorized to be used or pledged, or used and pledged
16, for the payment of such securities, whether such tax be levied or
17 collected by the county, the State of Nevada, or otherwise, or be
18 levied in at least an equivalent value in lieu of any such tax existing
19 at the time of the issuance of such securities or be levied in
20 supplementation thereof.

21 3. The pledges and liens authorized by subsections 1 and 2 ~~{of~~
22 ~~this section shall}~~ extend to the proceeds of any tax collected for use
23 by the county on any motor vehicle fuel so long as any bonds or
24 other securities issued hereunder remain outstanding and ~~{shall not~~
25 ~~be}~~ *are not* limited to any type or types of motor vehicle fuel in use
26 when the bonds or other securities ~~{shall be}~~ *are* issued.

27 **Sec. 11.** NRS 377A.080 is hereby amended to read as follows:

28 377A.080 1. In any county in which a tax for a public transit
29 system or for the construction, maintenance and repair of public
30 roads, or both, has been imposed, the board shall by ordinance
31 create a regional transportation commission pursuant to chapter 373
32 of NRS if one has not already been created under that chapter.
33 ~~{Where}~~ *If* a regional transportation commission has already been
34 created under that chapter, that commission may also exercise the
35 powers conferred by this section.

36 2. The regional transportation commission may:

37 (a) Appropriate money in the public transit fund accumulated by
38 a county to provide a public transit system for that county if the
39 system is included in a regional transportation plan adopted by the
40 regional transportation commission;

41 (b) Appropriate money to provide transportation or to support
42 agencies which are providing transportation for the elderly and
43 persons with disabilities, if the services are consistent with the
44 regional transportation plan;



1 (c) Provide for or perform all functions incident to the
2 administration and operation of the public transit system, including
3 the establishment of fares for the system; and

4 (d) Adopt regulations for the operation of systems or services
5 provided by the commission and for systems or services financed by
6 the commission and provided by an agency or a private contractor.

7 3. The commission may draw money out of the public transit
8 fund only for:

9 (a) The establishment and maintenance of a public transit
10 system for the county and for the support of other activities, services
11 and programs related to transportation which are included in a
12 regional transportation plan adopted by the commission;

13 (b) The construction, maintenance and repair of public roads;

14 (c) The payment of principal and interest on notes, bonds or
15 other securities issued to provide funds for the cost of projects
16 described in paragraphs (a) and (b); ~~for~~

17 (d) *The support of activities, services and programs related to*
18 *the improvement of air quality; or*

19 (e) Any combination of those purposes.

20 **Sec. 12.** NRS 278.710 is hereby amended to read as follows:

21 278.710 1. A board of county commissioners may by
22 ordinance, but not as in a case of emergency, impose a tax for the
23 improvement of transportation on the privilege of new residential,
24 commercial, industrial and other development pursuant to paragraph
25 (a) or (b) as follows:

26 (a) After receiving the approval of a majority of the registered
27 voters of the county voting on the question at a special election or
28 the next primary or general election, the board of county
29 commissioners may impose the tax throughout the county, including
30 any such development in incorporated cities in the county. A county
31 may combine this question with a question submitted pursuant to
32 NRS 244.3351, 371.045 or 377A.020, or any combination thereof.

33 (b) After receiving the approval of a majority of the registered
34 voters who reside within the boundaries of a transportation district
35 created pursuant to NRS 244A.252, voting on the question at a
36 special or general district election or primary or general state
37 election, the board of county commissioners may impose the tax
38 within the boundaries of the district. A county may combine this
39 question with a question submitted pursuant to NRS 244.3351.

40 2. A special election may be held only if the board of county
41 commissioners determines, by a unanimous vote, that an emergency
42 exists. The determination made by the board of county
43 commissioners is conclusive unless it is shown that the board acted
44 with fraud or a gross abuse of discretion. An action to challenge the
45 determination made by the board must be commenced within 15



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1 days after the board's determination is final. As used in this
2 subsection, "emergency" means any unexpected occurrence or
3 combination of occurrences which requires immediate action by the
4 board of county commissioners to prevent or mitigate a substantial
5 financial loss to the county or to enable the board of county
6 commissioners to provide an essential service to the residents of the
7 county.

8 3. The tax imposed pursuant to this section must be at such a
9 rate and based on such criteria and classifications as the board of
10 county commissioners determines to be appropriate. Each such
11 determination is conclusive unless it constitutes an arbitrary and
12 capricious abuse of discretion, but the tax imposed must not :

13 (a) *For any fiscal year beginning:*

14 (1) *Before July 1, 2003, exceed \$500 ;*

15 (2) *On or after July 1, 2003, and before July 1, 2005,*
16 *exceed \$650;*

17 (3) *On or after July 1, 2005, and before July 1, 2010,*
18 *exceed \$700;*

19 (4) *On or after July 1, 2010, and before July 1, 2015,*
20 *exceed \$800;*

21 (5) *On or after July 1, 2015, and before July 1, 2020,*
22 *exceed \$900; or*

23 (6) *On or after July 1, 2020, exceed \$1,000,*

24 per single-family dwelling unit of new residential development, or
25 the equivalent thereof as determined by the board of county
26 commissioners ~~[-, or 50 cents]~~ ; or

27 (b) *For any fiscal year beginning:*

28 (1) *Before July 1, 2003, \$0.50;*

29 (2) *On or after July 1, 2003, and before July 1, 2005,*
30 *exceed \$0.65;*

31 (3) *On or after July 1, 2005, and before July 1, 2010,*
32 *exceed \$0.75;*

33 (4) *On or after July 1, 2010, and before July 1, 2015,*
34 *exceed \$0.80;*

35 (5) *On or after July 1, 2015, and before July 1, 2020,*
36 *exceed \$0.90; or*

37 (6) *On or after July 1, 2020, exceed \$1.00,*

38 per square foot on other new development.

39 4. If so provided in ~~[the ordinance,]~~ *an ordinance adopted*
40 *pursuant to this section,* a newly developed lot for a mobile home
41 must be considered a single-family dwelling unit of new residential
42 development.

43 ~~[4.]~~ 5. The tax imposed pursuant to this section must be
44 collected before the time a certificate of occupancy for a building or
45 other structure constituting new development is issued, or at such



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1 other time as is specified in the ordinance imposing the tax. If so
2 provided in the ordinance, no certificate of occupancy may be issued
3 by any local government unless proof of payment of the tax is filed
4 with the person authorized to issue the certificate of occupancy.
5 Collection of the tax imposed pursuant to this section must not
6 commence earlier than the first day of the second calendar month
7 after adoption of the ordinance imposing the tax.

8 ~~5.1~~ 6. In a county in which a tax has been imposed pursuant to
9 paragraph (a) of subsection 1, the revenue derived from the tax must
10 be used exclusively to pay the cost of:

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

17 (1) Within the boundaries of the county;

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

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

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

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

30 (b) The 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 ~~6.1~~ 7. In a transportation district in which a tax has been
34 imposed pursuant to paragraph (b) of subsection 1, the revenue
35 derived from the tax must be used exclusively to pay the cost of:

36 (a) Projects related to the construction and maintenance of
37 sidewalks, streets, avenues, boulevards, highways and other public
38 rights-of-way used primarily for vehicular traffic, including, without
39 limitation, overpass projects, street projects and underpass projects,
40 as defined in NRS 244A.037, 244A.053 and 244A.055, respectively,
41 within the boundaries of the district or within such a distance
42 outside those boundaries as is stated in the ordinance imposing the
43 tax, if the board of county commissioners finds that such projects
44 outside the boundaries of the district will facilitate transportation
45 within the district;



- 1 (b) The principal and interest on notes, bonds or other
2 obligations incurred to fund projects described in paragraph (a); or
3 (c) Any combination of those uses.

4 ~~[7.]~~ 8. The county may expend the proceeds of the tax
5 authorized by this section, or any borrowing in anticipation of the
6 tax, pursuant to an interlocal agreement between the county and
7 the regional transportation commission of the county with respect to
8 the projects to be financed with the proceeds of the tax.

9 ~~[8.]~~ 9. The provisions of chapter 278B of NRS and any action
10 taken pursuant to that chapter do not limit or in any other way apply
11 to any tax imposed pursuant to this section.

12 **Sec. 13.** Chapter 278B of NRS is hereby amended by adding
13 thereto a new section to read as follows:

14 *1. The governing body of a local government which imposes*
15 *an impact fee to pay the cost of constructing a street project may*
16 *include a provision in the ordinance imposing the impact fee or*
17 *adopt a separate ordinance providing that each year in which the*
18 *governing body does not adopt any revisions to the land use*
19 *assumptions or capital improvements plan or otherwise increase*
20 *the impact fee, the current amount of the impact fee is*
21 *cumulatively increased:*

22 *(a) By a percentage equal to the average percentage of*
23 *increase in the Consumer Price Index for West Urban Consumers*
24 *for the preceding 5 years; or*

25 *(b) By 4.5 percent,*
26 *whichever is less.*

27 *2. Upon inclusion of a provision in the ordinance imposing*
28 *the impact fee or the adoption of a separate ordinance authorized*
29 *by subsection 1, no further action by the governing body is*
30 *necessary to effectuate the annual increases.*

31 *3. Each increase authorized pursuant to this section becomes*
32 *effective 1 year after:*

33 *(a) The date upon which the impact fee initially becomes*
34 *effective;*

35 *(b) The date the governing body adopts a revised capital*
36 *improvements plan; or*

37 *(c) The effective date of any previous increase in the impact*
38 *fee pursuant to this section,*
39 *whichever occurs last.*

40 **Sec. 14.** NRS 278B.230 is hereby amended to read as follows:

41 278B.230 1. The impact fee per service unit , *excluding the*
42 *amount of any increase authorized pursuant to section 13 of this*
43 *act,* must not exceed the amount determined by dividing the costs of
44 the capital improvements described in subsection 3 of NRS



1 278B.170 by the total number of projected service units described in
2 subsection 6 of NRS 278B.170.

3 2. If the number of new service units projected over a period is
4 less than the total number of new service units shown by the
5 approved land use assumptions at full development of the service
6 area, the maximum impact fee which may be charged per service
7 unit, *excluding the amount of any increase authorized pursuant to*
8 *section 13 of this act*, must be calculated by dividing the costs of the
9 part of the capital improvements required by the new service units
10 described in subsection 7 of NRS 278B.170 by the projected new
11 service units described in that subsection.

12 3. The impact fee may be collected at the same time as the fee
13 for issuance of a building permit for the service unit or at the time a
14 certificate of occupancy is issued for the service unit, as specified in
15 the ordinance.

16 **Sec. 15.** 1. The approval by the voters on November 5, 2002,
17 of Advisory Question No. 10, concerning transportation, on the
18 2002 general election ballot for Clark County shall be deemed to
19 constitute approval by the voters of the taxes authorized by the
20 provisions of NRS 278.710, as amended by this act, and paragraph
21 (b) of subsection 1 of NRS 377A.030. No other approval by the
22 voters is required for the imposition of those taxes in Clark County,
23 including its incorporated cities, at the following rates:

24 (a) Pursuant to NRS 278.710:

25 (1) For each fiscal year beginning:

26 (I) On or after July 1, 2003, and before July 1, 2005,
27 \$650;

28 (II) On or after July 1, 2005, and before July 1, 2010,
29 \$700;

30 (III) On or after July 1, 2010, and before July 1, 2015,
31 \$800;

32 (IV) On or after July 1, 2015, and before July 1, 2020,
33 \$900; and

34 (V) On or after July 1, 2020, \$1,000,

35 per single-family dwelling of new residential development, or the
36 equivalent thereof as determined by the board of county
37 commissioners; and

38 (2) For each fiscal year beginning:

39 (I) On or after July 1, 2003, and before July 1, 2005,
40 \$0.65;

41 (II) On or after July 1, 2005, and before July 1, 2010,
42 \$0.75;

43 (III) On or after July 1, 2010, and before July 1, 2015,
44 \$0.80;



1 (IV) On or after July 1, 2015, and before July 1, 2020,
2 \$0.90; and

3 (V) On or after July 1, 2020, \$1.00,
4 per square foot on other new development; and

5 (b) Pursuant to paragraph (b) of subsection 1 of NRS 377A.030:

6 (1) One-half of 1 percent of the gross receipts of any retailer
7 from the sale of all tangible personal property sold at retail, or
8 stored, used or otherwise consumed in the county, until:

9 (I) The last day of the fiscal year during which the
10 Department of Taxation determines that the cumulative total
11 proceeds of the tax imposed at that rate equal or exceed \$1.7 billion;
12 or

13 (II) June 30, 2028,
14 whichever occurs earlier; and

15 (2) Three-eighths of 1 percent of the gross receipts of any
16 retailer from the sale of all tangible personal property sold at retail,
17 or stored, used or otherwise consumed in the county, during each
18 subsequent fiscal year.

19 2. The approval by the voters on November 5, 2002, of
20 Advisory Question No. 2, concerning transportation, on the 2002
21 general election ballot for Washoe County shall be deemed to
22 constitute approval by the voters of an increase in the rate of the tax
23 imposed pursuant to paragraph (b) of subsection 1 of NRS
24 377A.030 to three-eighths of 1 percent of the gross receipts of any
25 retailer from the sale of all tangible personal property sold at retail,
26 or stored, used or otherwise consumed in the county. No other
27 approval by the voters is required for the imposition of that increase
28 in the rate of that tax in Washoe County, including its incorporated
29 cities.

30 3. If at any time after November 5, 2002, and before the
31 effective date of this act, another county obtains approval by the
32 voters of a measure which complies with the provisions of NRS
33 278.710 for the tax authorized by that section, as amended by this
34 act, that approval shall be deemed to constitute approval of the tax
35 specified on the ballot and no other approval by the voters is
36 required for imposition of that tax at the rate or rates specified on
37 that ballot.

38 **Sec. 16.** If any provision of this act, or the application thereof
39 to any person, thing or circumstance is held invalid, such invalidity
40 does not affect the provisions or applications of this act which can
41 be given effect without the invalid provision or application, and to
42 this end the provisions of this act are hereby declared to be
43 severable.



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1 **Sec. 17.** This act becomes effective upon passage and
2 approval.

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