

SENATE BILL NO. 107—SENATOR TITUS

FEBRUARY 21, 2005

Referred to Committee on Government Affairs

SUMMARY—Requires state and local governments to report certain information concerning capital improvements. (BDR 27-31)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

CONTAINS UNFUNDED MANDATE (§§ 4, 6)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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 capital improvements; requiring local governments to report certain information concerning capital improvements owned, leased or operated by the local governments; requiring certain entities of the State to report certain information concerning capital improvements owned, leased or operated by the State; requiring local governments and those entities of the State to submit a report concerning that information to the Legislature; requiring the State Public Works Board to compile a report concerning projects of construction of state buildings that are financed by certain bonds or obligations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires local governments to establish and maintain records of their property and equipment. (NRS 354.625)

This bill requires local governmental entities, in addition to any records established and maintained pursuant to NRS 354.625, and certain entities of the State, to prepare a report concerning any capital improvements owned, leased or operated by the governmental entity for each fiscal year. The report must be prepared in such detail as is required by generally accepted accounting principles.

This bill requires the State Public Works Board to compile a report concerning projects of construction of state buildings that are financed by general obligation bonds, revenue bonds and medium-term obligations.



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11 This bill also requires local governmental entities and certain entities of the
12 State to submit a copy of each report required pursuant to the provisions of this bill
13 each year to the Director of the Legislative Counsel Bureau for transmission to each
14 regular session of the Legislature.

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

1 **Section 1.** Chapter 331 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. The Chief shall, for each fiscal year, compile a report*
4 *concerning the capital improvements owned, leased or operated by*
5 *the State.*

6 *2. The report of the capital improvements required pursuant*
7 *to subsection 1 must be prepared in such detail as is required by*
8 *generally accepted accounting principles.*

9 *3. The Chief shall submit, in any format including an*
10 *electronic format, a copy of the report compiled pursuant to*
11 *subsection 1 on or before February 1 of the year next succeeding*
12 *the period to which the report pertains to the Director of the*
13 *Legislative Counsel Bureau for distribution to each regular*
14 *session of the Legislature.*

15 **Sec. 2.** NRS 331.010 is hereby amended to read as follows:

16 331.010 As used in NRS 331.010 to 331.145, inclusive, *and*
17 *section 1 of this act*, unless the context otherwise requires:

18 1. "Buildings and Grounds Division" means the Buildings and
19 Grounds Division of the Department of Administration.

20 2. "Chief" means the Chief of the Buildings and Grounds
21 Division.

22 3. "Director" means the Director of the Department Of
23 Administration.

24 **Sec. 3.** Chapter 341 of NRS is hereby amended to read as
25 follows:

26 *1. The Board shall, for each fiscal year, compile a report*
27 *concerning projects of construction of state buildings that are*
28 *financed by general obligation bonds, revenue bonds or medium-*
29 *term obligations.*

30 *2. The report required to be compiled pursuant to subsection*
31 *1 must include:*

32 *(a) The source and amount of money received from the bonds*
33 *and obligations during the fiscal year;*

34 *(b) A list of the projects completed during the fiscal year,*
35 *including, without limitation, any change in the estimated cost of*
36 *such a project and any change in the date for completion for such*
37 *a project; and*



1 (c) *A list of projects under construction, the estimated cost of*
2 *each of those projects, the date for completion of each of those*
3 *projects and any changes in the estimated cost or date for*
4 *completion of those projects.*

5 3. *The Board shall submit, in any format including an*
6 *electronic format, a copy of the report compiled pursuant to*
7 *subsection 1 on or before February 1 of the year next succeeding*
8 *the period to which the report pertains to the Director of the*
9 *Legislative Counsel Bureau for distribution to each regular*
10 *session of the Legislature.*

11 **Sec. 4.** Chapter 354 of NRS is hereby amended by adding
12 thereto a new section to read as follows:

13 1. *In addition to the records and inventory controls*
14 *established and maintained pursuant to NRS 354.625, the*
15 *governing body of each local government shall, for each fiscal*
16 *year, compile a report concerning the capital improvements*
17 *owned, leased or operated by the local government.*

18 2. *The report of the capital improvements required pursuant*
19 *to subsection 1 must be prepared in such detail as is required by*
20 *generally accepted accounting principles.*

21 3. *The governing body shall submit, in any format including*
22 *an electronic format, a copy of the report compiled pursuant to*
23 *subsection 1 on or before February 1 of the year next succeeding*
24 *the period to which the report pertains to the Director of the*
25 *Legislative Counsel Bureau for distribution to each regular*
26 *session of the Legislature.*

27 **Sec. 5.** NRS 354.470 is hereby amended to read as follows:

28 354.470 NRS 354.470 to 354.626, inclusive, *and section 7 of*
29 *this act* may be cited as the Local Government Budget and Finance
30 Act.

31 **Sec. 6.** NRS 354.5945 is hereby amended to read as follows:

32 354.5945 1. Except as otherwise provided in subsection ~~6~~
33 *7*, on or before July 1 of each year, each local government shall
34 prepare, on a form prescribed by the Department of Taxation for use
35 by local governments, a capital improvement plan for the *fiscal year*
36 *ending on June 30 of that year and the* ensuing 5 fiscal years.

37 2. Each local government shall submit a copy of the capital
38 improvement plan of the local government to the:

39 (a) Department of Taxation; ~~and~~

40 (b) Debt management commission of the county in which the
41 local government is located ~~;~~ *and*

42 (c) *Director of the Legislative Counsel Bureau.*



1 3. Each local government shall file a copy of the capital
2 improvement plan of the local government for public record and
3 inspection by the public in the offices of:

4 (a) The clerk or secretary of the governing body; and

5 (b) The county clerk.

6 4. The total amount of the expenditures contained in the capital
7 improvement plan of the local government for the next ensuing
8 fiscal year must equal the total amount of expenditures for capital
9 outlay set forth in the final budget of the local government for each
10 fund listed in that budget.

11 5. *The capital improvement plan must include the estimated*
12 *or actual revenues and expenditures for each capital project and*
13 *the estimated or actual date for completion of each capital project.*

14 6. The capital improvement plan must reconcile the capital
15 outlay in each fund in the final budget for the first year of the capital
16 improvement plan to the final budget in the next ensuing fiscal year.
17 The reconciliation must identify the minimum level of expenditure
18 for items classified as capital assets in the final budget and the
19 minimum level of expenditure for items classified as capital projects
20 in the capital improvement plan. The reconciliation of capital outlay
21 items in the capital improvement plan must be presented on forms
22 created and distributed by the Department of Taxation.

23 ~~[6.]~~ 7. Local governments that are exempt from the
24 requirements of the Local Government Budget and Finance Act
25 pursuant to subsection 1 of NRS 354.475 are not required to file a
26 capital improvement plan.

27 **Sec. 7.** Chapter 396 of NRS is hereby amended by adding
28 thereto a new section to read as follows:

29 1. *The Board of Regents shall, for each fiscal year, compile a*
30 *report concerning the capital improvements owned, leased or*
31 *operated by the System.*

32 2. *The report of the capital improvements required pursuant*
33 *to subsection 1 must be prepared in such detail as is required by*
34 *generally accepted accounting principles.*

35 3. *The Board of Regents shall, on or before February 1 of*
36 *each year, submit, in any format including an electronic format, a*
37 *copy of the report compiled pursuant to subsection 1 to the*
38 *Director of the Legislative Counsel Bureau for distribution to each*
39 *regular session of the Legislature.*

40 **Sec. 8.** The provisions of NRS 354.599 do not apply to any
41 additional expenses of a local government that are related to the
42 provisions of this act.

