

SENATE BILL NO. 425—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF WASHOE COUNTY)

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Provides for creation of regional district for road maintenance in certain larger county. (BDR 25-450)

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 road maintenance; providing in skeleton form the authorization for a board of county commissioners in a certain larger county to create a regional district for the maintenance of roads; revising provisions governing distribution of certain taxes within certain counties; 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 320 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 22, inclusive, of this act.

Sec. 2. *As used in sections 2 to 22, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this act, have the meanings ascribed to them in those sections.*

Sec. 3. *“Board of directors” means the board of directors of a district.*

Sec. 4. *“District” means a regional district for the maintenance of roads.*

Sec. 5. *“General improvement district” has the meaning ascribed to it in NRS 318.020.*



1 **Sec. 6.** *“Maintenance” means any activity or project*
2 *necessary to preserve the useful life of a road, including, without*
3 *limitation, painting, repairing, reconstructing, grading, oiling,*
4 *patching, resurfacing, sanding, sweeping, washing and removing*
5 *ice and snow.*

6 **Sec. 7.** *“Project” means any structure, facility, undertaking*
7 *or system which a district is authorized to acquire, improve, equip,*
8 *maintain or operate. A project may consist of all kinds of personal*
9 *and real property, including, but not limited to, land, elements and*
10 *fixtures thereon, property of any nature appurtenant thereto or*
11 *used in connection therewith, and every estate, interest and right*
12 *therein, legal or equitable, including terms for years, or any*
13 *combination thereof.*

14 **Sec. 8. 1.** *“Road” means any road, highway or other*
15 *thoroughfare that:*

16 (a) *Is used for vehicular traffic; and*

17 (b) *Is partially or entirely located within a district.*

18 **2.** *The term does not include any road, highway or other*
19 *thoroughfare maintained by a regional transportation commission*
20 *established pursuant to NRS 373.030.*

21 **Sec. 9.** *The board of county commissioners of any county*
22 *within this State whose population is 100,000 or more but less*
23 *than 400,000 is hereby vested with the jurisdiction, power and*
24 *authority to create a regional district for the maintenance of roads*
25 *within the county which it serves.*

26 **Sec. 10.** *No member of a board of county commissioners,*
27 *governing body of an incorporated city or board of trustees of a*
28 *general improvement district shall be disqualified to perform any*
29 *duty imposed by sections 2 to 22, inclusive, of this act, by reason of*
30 *ownership of property within any proposed district.*

31 **Sec. 11. 1.** *The formation of a district may be initiated by a*
32 *resolution adopted by the board of county commissioners.*

33 **2.** *After adoption of the resolution, the organization of the*
34 *district must be initiated by the adoption of an ordinance by the*
35 *board of county commissioners, which in this chapter is sometimes*
36 *designated the “initiating ordinance.” No initiating ordinance may*
37 *be adopted by the board of county commissioners if the proposed*
38 *district includes any real property within the boundary of an*
39 *incorporated city or general improvement district unless:*

40 (a) *All members of the board of county commissioners*
41 *unanimously vote for the organization of a district with*
42 *boundaries which contravene this limitation;*

43 (b) *The governing body of the incorporated city or the board of*
44 *trustees of the general improvement district, by resolution,*
45 *consents to the formation of the district.*



1 3. *Except as otherwise provided in subsection 2, a district may*
2 *be entirely within or entirely without, or partly within and partly*
3 *without, one or more municipalities, and the district may consist of*
4 *noncontiguous tracts or parcels of property.*

5 4. *The initiating ordinance must set forth:*

6 (a) *The name of the proposed district, consisting of a chosen*
7 *name preceding the word "District for the Maintenance of*
8 *Roads."*

9 (b) *A statement of the basic power or basic powers for which*
10 *the district is proposed to be created.*

11 (c) *A statement that the ordinance creating the district will be*
12 *based on the board's finding:*

13 (1) *That public convenience and necessity require the*
14 *creation of the district;*

15 (2) *That the creation of the district is economically sound*
16 *and feasible;*

17 (3) *That the service plan for the district conforms to*
18 *subsection 1 of NRS 308.030; and*

19 (4) *That the service plan for the district does not contravene*
20 *any of the criteria enumerated in subsection 1 of NRS 308.060.*

21 (d) *A general description of the boundaries of the district or*
22 *the territory to be included therein, with such certainty as to*
23 *enable an owner of property to determine whether his property is*
24 *within the district.*

25 (e) *The place, date and time for the hearing on the creation of*
26 *the district.*

27 **Sec. 12.** *After the initiating ordinance has been adopted by*
28 *the board of county commissioners pursuant to section 11 of this*
29 *act, the county clerk shall, at least once a week for 3 consecutive*
30 *weeks in at least one newspaper of general circulation in the*
31 *district, publish a notice which shall set forth the name, statement*
32 *of purposes, general description and place, date and time for the*
33 *hearing.*

34 **Sec. 13.** 1. *Any person who owns property which is located*
35 *within the district may, on or before the date fixed for the hearing*
36 *on the creation of the notice set forth in the initiating ordinance*
37 *adopted pursuant to section 11 of this act, protest against the*
38 *establishment of such district, in writing, which protest shall be*
39 *filed with the county clerk of such county.*

40 2. *If, at or before the time fixed in the initiating ordinance*
41 *and notice, written protest is filed, signed by a majority of the*
42 *owners of property within such proposed district, the district shall*
43 *not be established.*

44 3. *If any written protests are filed and the board of county*
45 *commissioners determines that the protests so filed represent less*



1 *than a majority of the owners of property within the district, the*
2 *board of county commissioners, in its discretion but subject to*
3 *the limitation provided by section 14 of this act, may proceed with*
4 *the creation of the district. If the board of county commissioners*
5 *does so proceed, the ordinance of the board of county*
6 *commissioners creating the district shall contain a recital of the*
7 *number of protests filed and such recital is binding and conclusive*
8 *for all purposes.*

9 **Sec. 14.** 1. *At the place, date and time specified for the*
10 *hearing in the notice published pursuant to section 12 of this act*
11 *or at any subsequent time to which the hearing may be adjourned,*
12 *the board of county commissioners shall give full consideration to*
13 *all protests which may have been filed and shall hear all persons*
14 *desiring to be heard and shall thereafter adopt an ordinance either*
15 *creating the district or determining that it shall not be created.*

16 2. *If the board of county commissioners determines at the*
17 *hearing that creation of the district is not required by public*
18 *convenience and necessity or that persons protesting the formation*
19 *of the district have shown that the creation of such district is not*
20 *economically sound and feasible, or both, the board shall adopt an*
21 *ordinance determining that the district shall not be created.*

22 3. *Any ordinance creating a district may contain such*
23 *changes as may be considered by the board of county*
24 *commissioners to be equitable and necessary.*

25 **Sec. 15.** 1. *Except as otherwise provided in subsection 2,*
26 *the adoption of the ordinance creating the district shall finally and*
27 *conclusively establish the regular organization of the district*
28 *against all persons, which district shall thenceforth be a*
29 *governmental subdivision of the State of Nevada, a body corporate*
30 *and politic and a quasi-municipal corporation.*

31 2. *Within 30 days immediately following the effective date of*
32 *such ordinance, any person who has filed a written protest, as*
33 *provided in section 13 of this act, shall have the right to commence*
34 *an action in any court of competent jurisdiction to set aside such*
35 *determination. Thereafter all actions or suits attacking the*
36 *regularity, validity and correctness of that ordinance, and all*
37 *proceedings, determinations and instruments taken, adopted or*
38 *made before final passage of such an ordinance, shall be*
39 *perpetually barred.*

40 3. *Within 30 days after the effective date of the ordinance*
41 *creating the district, the county clerk shall file a copy of the*
42 *ordinance in his office and shall cause to be filed an additional*
43 *copy of the ordinance in the Office of the Secretary of State, which*
44 *filings shall be without fee and be otherwise in the same manner*



1 *as articles of incorporation are required to be filed under chapter*
2 *78 of NRS.*

3 **Sec. 16. 1. The board of directors of the district consists of:**

4 *(a) Two members from the board of county commissioners;*

5 *(b) Two members from the governing body of each*
6 *incorporated city with territory within the boundaries of the*
7 *district; and*

8 *(c) Two members from the board of trustees of each general*
9 *improvement district with territory within the boundaries of the*
10 *district.*

11 *2. The board of county commissioners shall appoint its*
12 *representative members to the board of directors:*

13 *(a) At the first regularly scheduled meeting of the board of*
14 *county commissioners after the effective date of the ordinance*
15 *adopted pursuant to the provisions of section 11 of this act; and*

16 *(b) At the first regularly scheduled meeting of the board of*
17 *county commissioners after a general election at which members*
18 *of the board of county commissioners are elected.*

19 *3. A governing body of an incorporated city with territory*
20 *within the boundaries of the district shall appoint its*
21 *representative members to the board of directors:*

22 *(a) At the first regularly scheduled meeting of the governing*
23 *body after the effective date of the ordinance adopted pursuant to*
24 *the provisions of section 11 of this act; and*

25 *(b) At the first regularly scheduled meeting of the governing*
26 *body after a general election at which members of the governing*
27 *body are elected.*

28 *4. A board of trustees of a general improvement district with*
29 *territory within the boundaries of the district shall appoint its*
30 *representative members to the board of directors:*

31 *(a) At the first regularly scheduled meeting of the board of*
32 *trustees after the effective date of the ordinance adopted pursuant*
33 *to the provisions of section 11 of this act; and*

34 *(b) At the first regularly scheduled meeting of the board of*
35 *trustees after a general election at which members of the board of*
36 *trustees are elected.*

37 *5. The members of the board of directors shall qualify by*
38 *filing with the county clerk their oaths of office and corporate*
39 *surety bonds, at the expense of the district, the bonds to be in an*
40 *amount not more than \$10,000 each, the form and exact amount*
41 *thereof to be approved and determined, respectively, by the board*
42 *of county commissioners, conditioned for the faithful performance*
43 *of their duties as trustees. The board of county commissioners may*
44 *from time to time, upon good cause shown, increase or decrease*
45 *the amount of the bond.*



6. *At the first regularly scheduled meeting of the board of directors after the effective date of the ordinance adopted pursuant to the provisions of section 11 of this act, the board of directors shall establish:*

(a) *Accounting practices and procedures for the district;*

(b) *Auditing practices and procedures to be used by the district;*

(c) *A budget for the district; and*

(d) *Management standards for the district.*

7. *At the first regularly scheduled meeting of the board of directors after members of the board of directors have been appointed pursuant to subsection 2, 3 or 4 and those members qualified pursuant to subsection 5, the board of directors shall elect from its members a Chairman and Vice Chairman.*

Sec. 17. 1. *Except as otherwise provided in subsection 2, a majority vote of the members of the board of directors present at a meeting shall be required to take action with respect to any matter.*

2. *In addition to a majority vote of the members of the board of directors present at a meeting, the board of directors shall not take action with respect to any matter unless the matter is approved by at least:*

(a) *One member of the board of county commissioners who is a member of the board of directors;*

(b) *One member of each governing body of an incorporated city who is a member of the board of directors; and*

(c) *One member of each board of trustees of a general improvement district who is a member of the board of directors.*

Sec. 18. *The board of directors shall have the power to:*

1. *Manage, control and supervise all the business and affairs of the district.*

2. *Hire and retain agents, employees, servants, engineers and attorneys, and any other persons necessary or desirable to effect the purposes of the district.*

3. *Acquire, improve, equip, operate and maintain any project relating to the maintenance of roads.*

4. *Enter into any contract it determines is necessary for the maintenance of roads.*

5. *Take any other action it determines is necessary to carry out the provisions of sections 2 to 22, inclusive, of this act.*

Sec. 19. *In addition to the other means for providing revenue for the districts, the board of directors shall have power and authority to levy and collect general (ad valorem) taxes on and against all taxable property within the district, such levy and collection to be made by the board of directors in conjunction with*



1 *the county and its officers as set forth in sections 19 to 22,*
2 *inclusive, of this act.*

3 **Sec. 20.** 1. *In addition to the revenue distributed to the*
4 *district pursuant to NRS 365.180, 365.190 and 365.195, the board*
5 *of directors shall determine, in each year, the amount of money*
6 *necessary to be raised by taxation, taking into consideration other*
7 *sources of revenue of the district, and shall fix a rate of levy*
8 *which, when levied upon every dollar of assessed valuation of*
9 *taxable property within the district, and together with other*
10 *revenues, will raise the amount required by the district annually to*
11 *supply money for paying:*

12 (a) *The expenses of organization and the costs of operating*
13 *and maintaining the works and equipment of the district; and*

14 (b) *The costs of acquiring the works and equipment of the*
15 *district.*

16 2. *The board of directors shall certify to the board of county*
17 *commissioners, at the same time as fixed by law for certifying*
18 *thereto tax levies of incorporated cities, the rate so fixed with*
19 *directions that, at the time and in the manner required by law for*
20 *levying taxes for county purposes, such board of county*
21 *commissioners shall levy such tax upon the assessed valuation of*
22 *all taxable property within the district, in addition to such other*
23 *taxes as may be levied by such board of county commissioners at*
24 *the rate so fixed and determined.*

25 **Sec. 21.** 1. *The body having authority to levy taxes within*
26 *each county shall levy the taxes determined pursuant to section 20*
27 *of this act.*

28 2. *All officials charged with the duty of collecting taxes shall*
29 *collect such taxes at the time and in the same form and manner,*
30 *and with like interest and penalties, as other taxes are collected*
31 *and, when collected, shall pay the same to the district ordering its*
32 *levy and collection. The payment of such collections shall be made*
33 *monthly to the treasurer of the district and paid into the depository*
34 *thereof to the credit of the district.*

35 3. *All taxes levied pursuant to this section, together with*
36 *interest thereon and penalties for default in payment thereof, and*
37 *all costs of collecting the same, shall constitute, until paid, a*
38 *perpetual lien on and against the property taxed, and such lien*
39 *shall be on a parity with the tax lien of other general taxes.*

40 **Sec. 22.** *If the taxes levied are not paid as provided in section*
41 *21 of this act, the property subject to the tax lien shall be sold and*
42 *the proceeds thereof shall be paid over to the district according to*
43 *the provisions of the laws applicable to tax sales and redemptions.*

44 **Sec. 23.** NRS 226.110 is hereby amended to read as follows:
45 226.110 The State Treasurer:



1 1. Shall receive and keep all money of the State which is not
2 expressly required by law to be received and kept by some other
3 person.

4 2. Shall receipt to the State Controller for all money received,
5 from whatever source, at the time of receiving it.

6 3. Shall establish the policies to be followed in the investment
7 of money of the State, subject to the periodic review and approval or
8 disapproval of those policies by the State Board of Finance.

9 4. May employ any necessary investment and financial
10 advisers to render advice and other services in connection with the
11 investment of money of the State.

12 5. Shall disburse the public money upon warrants drawn upon
13 the Treasury by the State Controller, and not otherwise. The
14 warrants must be registered and paid in the order of their registry.
15 The State Treasurer may use any sampling or postaudit technique, or
16 both, which he considers reasonable to verify the proper distribution
17 of warrants.

18 6. Shall keep a just, true and comprehensive account of all
19 money received and disbursed.

20 7. Shall deliver in good order to his successor in office all
21 money, records, books, papers and other things belonging to his
22 office.

23 8. Shall fix, charge and collect reasonable fees for:

24 (a) Investing the money in any fund or account which is credited
25 for interest earned on money deposited in it; and

26 (b) Special services rendered to other state agencies or to
27 members of the public which increase the cost of operating his
28 office.

29 9. Serves as the primary representative of the State in matters
30 concerning any nationally recognized bond credit rating agency for
31 the purposes of the issuance of any obligation authorized on the
32 behalf and in the name of the State, except as otherwise provided in
33 NRS 538.206 and except for those obligations issued pursuant to
34 chapter 319 of NRS and NRS 349.400 to 349.987, inclusive.

35 10. Is directly responsible for the issuance of any obligation
36 authorized on the behalf and in the name of the State, except as
37 otherwise provided in NRS 538.206 and except for those obligations
38 issued pursuant to chapter 319 of NRS and NRS 349.400 to
39 349.987, inclusive. The State Treasurer:

40 (a) Shall issue such an obligation as soon as practicable after
41 receiving a request from a state agency for the issuance of the
42 obligation.

43 (b) May, except as otherwise provided in NRS 538.206, employ
44 necessary legal, financial or other professional services in



1 connection with the authorization, sale or issuance of such an
2 obligation.

3 11. May organize and facilitate statewide pooled financing
4 programs, including lease purchases, for the benefit of the State and
5 any political subdivision, including districts organized pursuant to
6 *sections 2 to 22, inclusive, of this act and* NRS 450.550 to 450.750,
7 inclusive, and chapters 244A, 309, 318, 379, 474, 541, 543 and 555
8 of NRS.

9 12. Shall serve as the Administrator of Unclaimed Property.

10 **Sec. 24.** NRS 332.015 is hereby amended to read as follows:

11 332.015 For the purpose of this chapter, unless the context
12 otherwise requires, "local government" means:

13 1. Every political subdivision or other entity which has the
14 right to levy or receive money from ad valorem taxes or other taxes
15 or from any mandatory assessments, including counties, cities,
16 towns, school districts and other districts organized pursuant to
17 chapters 244, 309, 318, 379, 450, 473, 474, 539, 541, 543 and 555
18 of NRS ~~4~~ *and sections 2 to 22, inclusive, of this act.*

19 2. The Las Vegas Valley Water District created pursuant to the
20 provisions of chapter 167, Statutes of Nevada 1947, as amended.

21 3. County fair and recreation boards and convention authorities
22 created pursuant to the provisions of NRS 244A.597 to 244A.655,
23 inclusive.

24 4. District boards of health created pursuant to the provisions
25 of NRS 439.370 to 439.410, inclusive.

26 5. The Nevada Rural Housing Authority.

27 **Sec. 25.** NRS 338.010 is hereby amended to read as follows:

28 338.010 As used in this chapter:

29 1. "Authorized representative" means a person designated by a
30 governing body to be responsible for the development and award of
31 contracts for public works pursuant to this chapter.

32 2. "Contract" means a written contract entered into between a
33 contractor and a public body for the provision of labor, materials,
34 equipment or supplies for a public work.

35 3. "Contractor" means:

36 (a) A person who is licensed pursuant to the provisions of
37 chapter 624 of NRS or performs such work that he is not required to
38 be licensed pursuant to chapter 624 of NRS.

39 (b) A design-build team.

40 4. "Day labor" means all cases where public bodies, their
41 officers, agents or employees, hire, supervise and pay the wages
42 thereof directly to a workman or workmen employed by them on
43 public works by the day and not under a contract in writing.



1 5. “Design-build contract” means a contract between a public
2 body and a design-build team in which the design-build team agrees
3 to design and construct a public work.

4 6. “Design-build team” means an entity that consists of:

5 (a) At least one person who is licensed as a general engineering
6 contractor or a general building contractor pursuant to chapter 624
7 of NRS; and

8 (b) For a public work that consists of:

9 (1) A building and its site, at least one person who holds a
10 certificate of registration to practice architecture pursuant to chapter
11 623 of NRS.

12 (2) Anything other than a building and its site, at least one
13 person who holds a certificate of registration to practice architecture
14 pursuant to chapter 623 of NRS or landscape architecture pursuant
15 to chapter 623A of NRS or who is licensed as a professional
16 engineer pursuant to chapter 625 of NRS.

17 7. “Design professional” means:

18 (a) A person who is licensed as a professional engineer pursuant
19 to chapter 625 of NRS;

20 (b) A person who is licensed as a professional land surveyor
21 pursuant to chapter 625 of NRS;

22 (c) A person who holds a certificate of registration to engage in
23 the practice of architecture, interior design or residential design
24 pursuant to chapter 623 of NRS;

25 (d) A person who holds a certificate of registration to engage in
26 the practice of landscape architecture pursuant to chapter 623A of
27 NRS; or

28 (e) A business entity that engages in the practice of professional
29 engineering, land surveying, architecture or landscape architecture.

30 8. “Eligible bidder” means a person who is:

31 (a) Found to be a responsible and responsive contractor by a
32 local government or its authorized representative which requests
33 bids for a public work in accordance with paragraph (b) of
34 subsection 1 of NRS 338.1373; or

35 (b) Determined by a public body or its authorized representative
36 which awarded a contract for a public work pursuant to NRS
37 338.1375 to 338.139, inclusive, to be qualified to bid on that
38 contract pursuant to NRS 338.1379 or 338.1382.

39 9. “General contractor” means a person who is licensed to
40 conduct business in one, or both, of the following branches of the
41 contracting business:

42 (a) General engineering contracting, as described in subsection 2
43 of NRS 624.215.

44 (b) General building contracting, as described in subsection 3 of
45 NRS 624.215.



1 10. "Governing body" means the board, council, commission
2 or other body in which the general legislative and fiscal powers of a
3 local government are vested.

4 11. "Local government" means every political subdivision or
5 other entity which has the right to levy or receive money from ad
6 valorem or other taxes or any mandatory assessments, and includes,
7 without limitation, counties, cities, towns, boards, school districts
8 and other districts organized pursuant to chapters 244A, 309, 318,
9 379, 474, 538, 541, 543 and 555 of NRS, *sections 2 to 22, inclusive,*
10 *of this act and* NRS 450.550 to 450.750, inclusive, and any agency
11 or department of a county or city which prepares a budget separate
12 from that of the parent political subdivision. The term includes a
13 person who has been designated by a local government to serve as
14 its authorized representative.

15 12. "Offense" means failing to:

16 (a) Pay the prevailing wage required pursuant to this chapter;

17 (b) Pay the contributions for unemployment compensation
18 required pursuant to chapter 612 of NRS;

19 (c) Provide and secure compensation for employees required
20 pursuant to chapters 616A to 617, inclusive, of NRS; or

21 (d) Comply with subsection 4 or 5 of NRS 338.070.

22 13. "Prime contractor" means a contractor who:

23 (a) Contracts to construct an entire project;

24 (b) Coordinates all work performed on the entire project;

25 (c) Uses his own workforce to perform all or a part of the public
26 work; and

27 (d) Contracts for the services of any subcontractor or
28 independent contractor or is responsible for payment to any
29 contracted subcontractors or independent contractors.

30 ➤ The term includes, without limitation, a general contractor or a
31 specialty contractor who is authorized to bid on a project pursuant to
32 NRS 338.139 or 338.148.

33 14. "Public body" means the State, county, city, town, school
34 district or any public agency of this State or its political subdivisions
35 sponsoring or financing a public work.

36 15. "Public work" means any project for the new construction,
37 repair or reconstruction of:

38 (a) A project financed in whole or in part from public money
39 for:

40 (1) Public buildings;

41 (2) Jails and prisons;

42 (3) Public roads;

43 (4) Public highways;

44 (5) Public streets and alleys;

45 (6) Public utilities;



- 1 (7) Publicly owned water mains and sewers;
- 2 (8) Public parks and playgrounds;
- 3 (9) Public convention facilities which are financed at least in
- 4 part with public money; and

5 (10) All other publicly owned works and property.

6 (b) A building for the University and Community College
7 System of Nevada of which 25 percent or more of the costs of the
8 building as a whole are paid from money appropriated by this State
9 or from federal money.

10 16. "Specialty contractor" means a person who is licensed to
11 conduct business as described in subsection 4 of NRS 624.215.

12 17. "Stand-alone underground utility project" means an
13 underground utility project that is not integrated into a larger
14 project, including, without limitation:

15 (a) An underground sewer line or an underground pipeline for
16 the conveyance of water, including facilities appurtenant thereto;
17 and

18 (b) A project for the construction or installation of a storm drain,
19 including facilities appurtenant thereto,

20 ➤ that is not located at the site of a public work for the design and
21 construction of which a public body is authorized to contract with a
22 design-build team pursuant to subsection 2 of NRS 338.1711.

23 18. "Subcontract" means a written contract entered into
24 between:

25 (a) A contractor and a subcontractor or supplier; or

26 (b) A subcontractor and another subcontractor or supplier, for
27 the provision of labor, materials, equipment or supplies for a
28 construction project.

29 19. "Subcontractor" means a person who:

30 (a) Is licensed pursuant to the provisions of chapter 624 of NRS
31 or performs such work that he is not required to be licensed pursuant
32 to chapter 624 of NRS; and

33 (b) Contracts with a contractor, another subcontractor or a
34 supplier to provide labor, materials or services for a construction
35 project.

36 20. "Supplier" means a person who provides materials,
37 equipment or supplies for a construction project.

38 21. "Wages" means:

39 (a) The basic hourly rate of pay; and

40 (b) The amount of pension, health and welfare, vacation and
41 holiday pay, the cost of apprenticeship training or other similar
42 programs or other bona fide fringe benefits which are a benefit to
43 the workman.

44 22. "Workman" means a skilled mechanic, skilled workman,
45 semiskilled mechanic, semiskilled workman or unskilled workman



1 in the service of a contractor or subcontractor under any
2 appointment or contract of hire or apprenticeship, express or
3 implied, oral or written, whether lawfully or unlawfully employed.
4 The term does not include a design professional.

5 **Sec. 26.** NRS 354.474 is hereby amended to read as follows:

6 354.474 1. Except as otherwise provided in subsections 2 and
7 3, the provisions of NRS 354.470 to 354.626, inclusive, apply to all
8 local governments. For the purpose of NRS 354.470 to 354.626,
9 inclusive:

10 (a) "Local government" means every political subdivision or
11 other entity which has the right to levy or receive money from ad
12 valorem or other taxes or any mandatory assessments, and includes,
13 without limitation, counties, cities, towns, boards, school districts
14 and other districts organized pursuant to chapters 244A, 309, 318,
15 379, 474, 541, 543 and 555 of NRS, *sections 2 to 22, inclusive, of*
16 *this act and* NRS 450.550 to 450.750, inclusive, and any agency or
17 department of a county or city which prepares a budget separate
18 from that of the parent political subdivision.

19 (b) "Local government" does not include the Nevada Rural
20 Housing Authority.

21 2. An irrigation district organized pursuant to chapter 539 of
22 NRS shall fix rates and levy assessments as provided in NRS
23 539.667 to 539.683, inclusive. The levy of such assessments and the
24 posting and publication of claims and annual financial statements as
25 required by chapter 539 of NRS shall be deemed compliance with
26 the budgeting, filing and publication requirements of NRS 354.470
27 to 354.626, inclusive, but any such irrigation district which levies an
28 ad valorem tax shall comply with the filing and publication
29 requirements of NRS 354.470 to 354.626, inclusive, in addition to
30 the requirements of chapter 539 of NRS.

31 3. An electric light and power district created pursuant to
32 chapter 318 of NRS shall be deemed to have fulfilled the
33 requirements of NRS 354.470 to 354.626, inclusive, for a year in
34 which the district does not issue bonds or levy an assessment if the
35 district files with the Department of Taxation a copy of all
36 documents relating to its budget for that year which the district
37 submitted to the Rural Electrification Administration of the United
38 States Department of Agriculture.

39 **Sec. 27.** NRS 354.760 is hereby amended to read as follows:

40 354.760 1. All invoices or other notices issued by a local
41 government to collect an account receivable must state that if the
42 debtor wishes to pay by check or other negotiable instrument, such
43 negotiable instrument must name as payee:

44 (a) The local government; or



(b) The title of the governmental official charged by law with the collection of such accounts.

➡ In no event may the invoice or other notice state that a check or other negotiable instrument may name a natural person as payee.

2. Notwithstanding the provisions of subsection 1, a local government may deposit into the appropriate account a check or other negotiable instrument which it determines is intended as payment for an account receivable.

3. As used in this section, "local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem taxes or other taxes or from any mandatory assessments, including, without limitation, counties, cities, towns, boards, authorities, school districts and other districts organized pursuant to chapters 244, 244A, 309, 318, 379, 439, 450, 473, 474, 539, 541, 543 and 555 of NRS ~~§~~ *and sections 2 to 22, inclusive, of this act.*

Sec. 28. NRS 365.196 is hereby amended to read as follows:

365.196 1. The receipts of the tax as levied in NRS 365.192 must be allocated monthly by the Department to the counties in proportion to the number of gallons of fuel that are sold to the retailers in each county pursuant to the information contained in the statements provided to the Department pursuant to NRS 365.192.

2. ~~[The]~~ *Except as otherwise provided in subsection 3, the* Department must apportion the receipts of that tax among the county, for unincorporated areas of the county, and each incorporated city in the county. The county and each city are respectively entitled to receive each month that proportion of those receipts which its total population bears to the total population of the county.

3. *If a district has been established in a county, the district is entitled to receive each month that part of the allocation of the tax levied in NRS 365.192 made to the county in which the district is located pursuant to subsection 1.*

4. The money apportioned to the county, ~~[or]~~ a city *or a district* must be used by it solely to repair or restore existing paved roads, streets and alleys, other than those maintained by the Federal Government and this State, by resurfacing, overlaying, resealing or other such customary methods.

5. *As used in this section, "district" has the meaning ascribed to it in section 4 of this act.*

Sec. 29. NRS 365.550 is hereby amended to read as follows:

365.550 1. Except as otherwise provided in subsection 2, the receipts of the tax levied pursuant to NRS 365.180 must be allocated monthly by the Department to the counties using the following formula:



(a) Determine the average monthly amount each county received in the fiscal year ending on June 30, 2003, and allocate to each county that amount, or if the total amount to be allocated is less than that amount, allocate to each county a percentage of the total amount to be allocated that is equal to the percentage of the total amount allocated to that county in the fiscal year ending on June 30, 2003;

(b) If the total amount to be allocated is greater than the average monthly amount all counties received in the fiscal year ending on June 30, 2003, determine for each county an amount from the total amount to be allocated using the following formula:

(1) Multiply the county's percentage share of the total state population by 2;

(2) Add the percentage determined pursuant to subparagraph (1) to the county's percentage share of total mileage of improved roads or streets maintained by the county or an incorporated city located within the county;

(3) Divide the sum of the percentages determined pursuant to subparagraph (2) by 3; and

(4) Multiply the total amount to be allocated by the percentage determined pursuant to subparagraph (3);

(c) Identify each county for which the amount determined pursuant to paragraph (b) is greater than the amount allocated to the county pursuant to paragraph (a) and:

(1) Subtract the amount determined pursuant to paragraph (a) from the amount determined pursuant to paragraph (b); and

(2) Add the amounts determined pursuant to subparagraph (1) for all counties;

(d) Identify each county for which the amount determined pursuant to paragraph (b) is less than or equal to the amount allocated to the county pursuant to paragraph (a) and:

(1) Subtract the amount determined pursuant to paragraph (b) from the amount determined pursuant to paragraph (a); and

(2) Add the amounts determined pursuant to subparagraph (1) for all counties;

(e) Subtract the amount determined pursuant to subparagraph (2) of paragraph (d) from the amount determined pursuant to subparagraph (2) of paragraph (c);

(f) Divide the amount determined pursuant to subparagraph (1) of paragraph (c) for each county by the sum determined pursuant to subparagraph (2) of paragraph (c) for all counties to determine each county's percentage share of the sum determined pursuant to subparagraph (2) of paragraph (c); and

(g) In addition to the allocation made pursuant to paragraph (a), allocate to each county that is identified pursuant to paragraph (c) a



percentage of the total amount determined pursuant to paragraph (e) that is equal to the percentage determined pursuant to paragraph (f).

2. At the end of each fiscal year, the Department shall:

(a) Determine the total amount to be allocated to all counties pursuant to subsection 1 for the current fiscal year; and

(b) Use the proceeds of the tax paid by a dealer, supplier or user for June of the current fiscal year to allocate to each county an amount determined pursuant to subsection 3.

3. If the total amount to be allocated to all the counties determined pursuant to paragraph (a) of subsection 2:

(a) Does not exceed the total amount that was received by all the counties for the fiscal year ending on June 30, 2003, the Department shall adjust the final monthly allocation to be made to each county so that each county is allocated a percentage of the total amount to be allocated that is equal to the percentage of the total amount allocated to that county in the fiscal year ending on June 30, 2003.

(b) Exceeds the total amount that was received by all counties for the fiscal year ending on June 30, 2003, the Department shall:

(1) Identify the total amount allocated to each county for the fiscal year ending on June 30, 2003, and the total amount for the current fiscal year determined pursuant to paragraph (a) of subsection 2;

(2) Apply the formula set forth in paragraph (b) of subsection 1 using the amounts in subparagraph (1), instead of the monthly amounts, to determine the total allocations to be made to the counties for the current fiscal year; and

(3) Adjust the final monthly allocation to be made to each county to ensure that the total allocations for the current fiscal year equal the amounts determined pursuant to subparagraph (2).

4. Of the money allocated to each county pursuant to the provisions of subsections 1, 2 and 3:

(a) An amount equal to that part of the allocation which represents 1.25 cents of the tax per gallon must be used exclusively for the service and redemption of revenue bonds issued pursuant to chapter 373 of NRS, for the construction, maintenance and repair of county roads, and for the purchase of equipment for that construction, maintenance and repair, under the direction of the boards of county commissioners of the several counties, and must not be used to defray expenses of administration. ~~[-; and~~

~~—(b) An]~~

(b) Except as otherwise provided in paragraph (c), an amount equal to that part of the allocation which represents 2.35 cents of the tax per gallon must be allocated to the county, if there are no incorporated cities in the county, or to the county and any



1 incorporated cities in the county, if there is at least one incorporated
2 city in the county, pursuant to the following formula:

- 3 (1) One-fourth in proportion to total area.
- 4 (2) One-fourth in proportion to population.
- 5 (3) One-fourth in proportion to road mileage and street
6 mileage of nonfederal aid primary roads.
- 7 (4) One-fourth in proportion to vehicle miles of travel on
8 nonfederal aid primary roads.

9 *(c) If a district has been established in a county, an amount*
10 *equal to that part of the allocation which represents 2.35 cents of*
11 *the tax per gallon must be allocated to that district.*

12 ➤ For the purpose of applying the formula, the area of the county
13 excludes the area included in any incorporated city.

14 5. The amount allocated to the counties , ~~and~~ incorporated
15 cities *and districts* pursuant to subsections 1 to 4, inclusive, must be
16 remitted monthly. The State Controller shall draw his warrants
17 payable to the county treasurer of each of the several counties ,
18 ~~and~~ the city treasurer of each of the several incorporated cities ~~;~~
19 *and the treasurer of each of the several districts*, as applicable, and
20 the State Treasurer shall pay the warrants out of the proceeds of the
21 tax levied pursuant to NRS 365.180.

22 6. The formula computations must be made as of July 1 of each
23 year by the Department, based on estimates which must be furnished
24 by the Department of Transportation and, if applicable, any
25 adjustments to the estimates determined to be appropriate by the
26 Committee pursuant to subsection 10. Except as otherwise provided
27 in subsection 10, the determination made by the Department is
28 conclusive.

29 7. The Department of Transportation shall complete:

30 (a) The estimates of the total mileage of improved roads or
31 streets maintained by each county and incorporated city on or before
32 August 31 of each year.

33 (b) A physical audit of the information submitted by each
34 county and incorporated city pursuant to subsection 8 at least once
35 every 10 years.

36 8. Each county and incorporated city shall, not later than
37 March 1 of each year, submit a list to the Department of
38 Transportation setting forth:

39 (a) Each improved road or street that is maintained by the
40 county or city; and

41 (b) The beginning and ending points and the total mileage of
42 each of those improved roads or streets.

43 ➤ Each county and incorporated city shall, at least 10 days before
44 the list is submitted to the Department of Transportation, hold a



1 public hearing to identify and determine the improved roads and
2 streets maintained by the county or city.

3 9. If a county or incorporated city does not agree with the
4 estimates prepared by the Department of Transportation pursuant to
5 subsection 7, the county or incorporated city may request that the
6 Advisory Committee examine the estimates and recommend an
7 adjustment to the estimates. Such a request must be submitted to the
8 Advisory Committee not later than October 15.

9 10. The Advisory Committee shall review any request it
10 receives pursuant to subsection 9 and report to the Committee its
11 findings and any recommendations for an adjustment to the
12 estimates it determines is appropriate. The Committee shall hold a
13 public hearing and determine whether an adjustment to the estimates
14 is appropriate on or before December 31 of the year it receives a
15 request pursuant to subsection 9. Any determination made by the
16 Committee pursuant to this subsection is conclusive.

17 11. The Advisory Committee shall monitor the fiscal impact of
18 the formula set forth in this section on counties and incorporated
19 cities and report regularly to the Committee concerning its findings
20 and recommendations regarding that fiscal impact.

21 12. As used in this section:

22 (a) "Advisory Committee" means the Advisory Committee
23 appointed pursuant to NRS 218.53881.

24 (b) "Committee" means the Legislative Committee for Local
25 Government Taxes and Finance established pursuant to
26 NRS 218.53881.

27 (c) "Construction, maintenance and repair" includes the
28 acquisition, operation or use of any material, equipment or facility
29 that is used exclusively for the construction, maintenance or repair
30 of a county or city road and is necessary for the safe and efficient
31 use of that road, including, without limitation:

32 (1) Grades and regrades;

33 (2) Graveling, oiling, surfacing, macadamizing and paving;

34 (3) Sweeping, cleaning and sanding roads and removing
35 snow from a road;

36 (4) Crosswalks and sidewalks;

37 (5) Culverts, catch basins, drains, sewers and manholes;

38 (6) Inlets and outlets;

39 (7) Retaining walls, bridges, overpasses, underpasses,
40 tunnels and approaches;

41 (8) Artificial lights and lighting equipment, parkways,
42 control of vegetation and sprinkling facilities;

43 (9) Rights-of-way;

44 (10) Grade and traffic separators;



(11) Fences, cattle guards and other devices to control access to a county or city road;

(12) Signs and devices for the control of traffic; and

(13) Facilities for personnel and the storage of equipment used to construct, maintain or repair a county or city road.

(d) *“District” has the meaning ascribed to it in section 4 of this act.*

(e) “Improved road or street” means a road or street that is, at least:

(1) Aligned and graded to allow reasonably convenient use by a motor vehicle; and

(2) Drained sufficiently by a longitudinal and transverse drainage system to prevent serious impairment of the road or street by surface water.

~~(e)~~ (f) “Total mileage of an improved road or street” means the total mileage of the length of an improved road or street, without regard to the width of that road or street or the number of lanes it has for vehicular traffic.

Sec. 30. This act becomes effective on July 1, 2005.



