Senate Bill No. 203-Senator Washington

CHAPTER.....

AN ACT relating to local financial administration; revising provisions concerning the proceeds of the fee authorized to be imposed in certain counties to pay for certain baseball stadium projects in certain circumstances; extending the dates for the reversion of certain money previously transferred and appropriated to the Interim Finance Committee to be allocated for Truckee River improvement related projects; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 (currently Washoe County) may impose a fee upon the rental of passenger vehicles and issue revenue bonds of the county to acquire, improve, equip, operate and maintain a minor league baseball stadium project to be used for the home games of a Double-A or Triple-A affiliate of a Major League Baseball team. (NRS 244A.0344, 244A.058, 244A.800, 244A.830) Section 9.5 of this bill requires such a board of county commissioners to determine whether certain criteria for the minor league baseball stadium project have been met by October 1, 2007, and make a finding if all the criteria have been met. If the criteria have not been met by October 1, 2007, sections 1-6 of this bill allow the proceeds of the applicable fees on the rental of passenger vehicles and related revenue bonds to be used to acquire, lease, improve, equip, operate and maintain any project that has been approved by the Legislature, if the Legislature is in session, or by the Interim Finance Committee, if the Legislature is not in session. Such a project may include the acquisition, lease, improvement, equipment, operation and maintenance of a baseball stadium that can be used for the home games of any professional baseball team, and for certain other purposes, regardless of whether the professional baseball team is affiliated with a Major League Baseball team.

For the 2005-2007 biennium, \$650,000 was transferred from the Fund for the Promotion of Tourism to the Interim Finance Committee for allocation to the Reno-Sparks Convention and Visitors Authority to carry out a maximum of four projects relating to the improvement of the Truckee River. (Section 5 of chapter 454, Statutes of Nevada 2005, p. 2088) For the same biennium, \$600,000 was appropriated from the State General Fund to the Interim Finance Committee for allocation to the Reno-Sparks Convention and Visitors Authority for the same purpose. (Section 32 of chapter 7, Statutes of Nevada 2005, 22nd Special Session, p. 120) **Sections 7 and 8** of this bill extend the dates by which the remaining balance of this money reverts to the applicable Funds by 2 years.



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

Section 1. Chapter 244A of NRS is hereby amended by adding thereto a new section to read as follows:

- 1. A board that has adopted an ordinance imposing a fee pursuant to NRS 244A.810 may, on behalf of the county and in its name:
- (a) Acquire, lease, improve, equip, operate and maintain within the county a project that has been approved by the Legislature, if the Legislature is in session, or the Interim Finance Committee, if the Legislature is not in session.

(b) Subject to the provisions of chapter 350 of NRS, issue revenue bonds of the county to acquire, lease, improve or equip, or any combination thereof, the project described in paragraph (a).

- 2. Bonds issued pursuant to this section must be payable from the proceeds of the fee imposed by the county pursuant to NRS 244A.810 and may be additionally secured by and payable from the gross or net revenues of the project as provided by the board in the ordinance authorizing the issuance of bonds or any instrument supplemental or appertaining thereto.
- **Sec. 1.5.** NRS 244A.011 is hereby amended to read as follows:
- 244A.011 NRS 244A.011 to 244A.065, inclusive, *and section 1 of this act* shall be known as the County Bond Law.
 - **Sec. 2.** (Deleted by amendment.)
- **Sec. 2.5.** NRS 244A.0344 is hereby amended to read as follows:
- 244A.0344 ["Minor league] "Professional baseball stadium project" means a baseball stadium which can be used for the home games of [an AA or AAA minor league] a professional baseball team and for other purposes, including structures, buildings and other improvements and equipment therefor, parking facilities, and all other appurtenances necessary, useful or desirable for a [minor league] professional baseball stadium, including, without limitation, all types of property therefor.
- **Sec. 2.7.** NRS 244A.058 is hereby amended to read as follows:
- 244A.058 1. A board that has adopted an ordinance imposing a fee pursuant to NRS 244A.810 may, on behalf of the county and in its name:
- (a) Acquire, *lease*, improve, equip, operate and maintain within the county a minor league baseball stadium project.



- (b) Subject to the provisions of chapter 350 of NRS, issue revenue bonds of the county to acquire, *lease*, improve or equip, or any combination thereof, within the county a minor league baseball stadium project.
- 2. Bonds issued pursuant to this section must be payable from the proceeds of the fee imposed by the county pursuant to NRS 244A.810 and may be additionally secured by and payable from the gross or net revenues of the minor league baseball stadium project. including, without limitation, amounts received from any minor league baseball team pursuant to a contract with that team, fees, rates and charges for the use of the stadium by a minor league baseball team or any other uses of the stadium, and related uses, including, without limitation, parking and concessions, surcharges on tickets in an amount approved by the board, grants, whether conditional or unconditional, made for the payment of debt service or otherwise for the purposes of the minor league baseball stadium project, and any and all other sources of revenue attributable to the minor league baseball stadium project as provided by the board in the ordinance authorizing the issuance of bonds or any instrument supplemental or appertaining thereto.
- 3. The provisions of chapters 332, 338 and 339 of NRS do not apply to a contract entered into by a county and a private developer pursuant to which the private developer constructs a minor league baseball stadium project, except that the contract must include a provision stating that the requirements of NRS 338.010 to 338.090, inclusive, apply to any construction work to be performed under the contract.
 - **Sec. 3.** NRS 244A.058 is hereby amended to read as follows:
- 244A.058 1. A board [that has adopted an ordinance imposing a fee pursuant to NRS 244A.810] in a county whose population is 100,000 or more but less than 400,000 may, on behalf of the county and in its name:
- (a) Acquire, *lease*, improve, equip, operate and maintain within the county a *[minor league] professional* baseball stadium project.
- (b) Subject to the provisions of chapter 350 of NRS, issue revenue bonds of the county to acquire, *lease*, improve or equip, or any combination thereof, within the county a [minor league] *professional* baseball stadium project.
- 2. Bonds issued pursuant to this section must be [payable from the proceeds of the fee imposed by the county pursuant to NRS 244A.810 and may be additionally] secured by and payable from the gross or net revenues of the [minor league] professional baseball stadium project, including, without limitation, amounts received from any [minor league] professional baseball team pursuant to a



contract with that team, fees, rates and charges for the use of the stadium by a [minor league] professional baseball team or any other uses of the stadium, and related uses, including, without limitation, parking and concessions, surcharges on tickets in an amount approved by the board, grants, whether conditional or unconditional, made for the payment of debt service or otherwise for the purposes of the [minor league] professional baseball stadium project, and any and all other sources of revenue attributable to the [minor league] professional baseball stadium project as provided by the board in the ordinance authorizing the issuance of bonds or any instrument supplemental or appertaining thereto.

- 3. The provisions of chapters 332, 338 and 339 of NRS do not apply to a contract entered into by a county and a private developer pursuant to which the private developer constructs a professional baseball stadium project, except that the contract must include a provision stating that the requirements of NRS 338.010 to 338.090, inclusive, apply to any construction work to be performed under the contract.
 - **Sec. 4.** NRS 244A.800 is hereby amended to read as follows: 244A.800 As used in NRS 244A.800 to 244A.830, inclusive:
 - 1. "Department" means the Department of Taxation.
- 2. ["Minor league] "Professional baseball stadium project" has the meaning ascribed to it in NRS 244A.0344.
- **Sec. 4.5.** NRS 244A.810 is hereby amended to read as follows:
- 244A.810 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity.
- 2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, "replacement vehicle" means a vehicle that is:
- (a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and
- (b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner's policy of liability insurance for the motor vehicle.
- 3. Any proceeds of a fee imposed pursuant to this section which are received by a county must be used solely to pay the costs



to acquire, *lease*, improve, equip, operate and maintain within the county a minor league baseball stadium project, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay such costs, including bonds issued to refund bonds issued to pay such costs, or any combination thereof.

- 4. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.
- 5. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.
 - **Sec. 5.** NRS 244A.810 is hereby amended to read as follows:
- 244A.810 1. Except as otherwise provided in subsection 2, the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 may by ordinance impose a fee upon the lease of a passenger car by a short-term lessor in the county in the amount of not more than 2 percent of the total amount for which the passenger car was leased, excluding any taxes or other fees imposed by a governmental entity.
- 2. The fee imposed pursuant to subsection 1 must not apply to replacement vehicles. As used in this subsection, "replacement vehicle" means a vehicle that is:
- (a) Rented temporarily by or on behalf of a person or leased to a person by a facility that repairs motor vehicles or a motor vehicle dealer; and
- (b) Used by the person in place of a motor vehicle owned by the person that is unavailable for use because of mechanical breakdown, repair, service, damage or loss as defined in the owner's policy of liability insurance for the motor vehicle.
- 3. Any proceeds of a fee imposed pursuant to this section which are received by a county must be used solely to pay the costs to acquire, *lease*, improve, equip, operate and maintain within the county a [minor league baseball stadium] project [,] that has been approved by the Legislature, if the Legislature is in session, or the Interim Finance Committee, if the Legislature is not in session, or to pay the principal of, interest on or other payments due with respect to bonds issued to pay such costs, including bonds issued to refund bonds issued to pay such costs, or any combination thereof.



- 4. The board of county commissioners shall not repeal or amend or otherwise directly or indirectly modify an ordinance imposing a fee pursuant to subsection 1 in such a manner as to impair any outstanding bonds issued by or other obligations incurred by the county until all obligations for which revenue from the ordinance have been pledged or otherwise made payable from such revenue have been discharged in full or provision for full payment and redemption has been made.
- 5. As used in this section, the words and terms defined in NRS 482.053 and 482.087 have the meanings ascribed to them in those sections.
 - **Sec. 6.** NRS 244A.830 is hereby amended to read as follows:
- 244A.830 1. A board of county commissioners that [adopts an ordinance imposing a fee pursuant to NRS 244A.810] acquires, leases, improves, equips, operates and maintains within the county a professional baseball stadium project [shall] may create a stadium authority to operate the [minor league] professional baseball stadium project.
 - 2. If a stadium authority is created:
 - (a) The stadium authority must consist of:
- [(a)] (1) One member of the board of county commissioners appointed by the board;
- [(b)] (2) One member from the governing body of each city in the county whose population is 60,000 or more, appointed by that governing body; and
- [(e)] (3) If the stadium authority enters into an agreement with [an AA or AAA minor league] a professional baseball team pursuant to which the team agrees to play its home games in the stadium, two persons appointed by the owner of the team.
- [2.] (b) The members of the stadium authority serve at the pleasure of the governmental entity or person who appointed them to serve in that capacity.
 - [3.] (c) The stadium authority shall:
- [(a)] (1) Be responsible for the normal operations of the [minor league] professional baseball stadium project [; and
- (b)] or such operations as may be specified in the agreement entered into pursuant to subparagraph (2); and
- (2) Enter into an agreement with the board of county commissioners that sets forth the specific rights, obligations and duties of the stadium authority regarding those operations.
- **Sec. 7.** Section 5 of chapter 454, Statutes of Nevada 2005, at page 2088, is hereby amended to read as follows:
 - Sec. 5. 1. The Commission on Tourism shall, as soon as practicable after July 1, 2005, and July 1, 2006,



respectively, without depleting the funds necessary for day-to-day operations, transfer the following amounts from the proceeds from the taxes imposed on the revenue from the rental of transient lodging which have been credited to the Fund for the Promotion of Tourism, created by NRS 231.250, to the Interim Finance Committee:

- 2. The money transferred pursuant to subsection 1 shall be allocated to the Reno-Sparks Convention and Visitors Authority to implement the Truckee River Recreational Master Plan as adopted by the City of Reno, the City of Sparks and Washoe County through a public review process. The money must be used to plan, obtain permits for, design and construct not more than four projects along the Truckee River that would enhance the recreational enjoyment, aquatic habitat and water quality of the Truckee River. The money must be expended on the following projects but is not limited to Rock Park, Pioneer Diversion Dam, Ambrose Park and Idlewild Park.
- 3. The Interim Finance Committee shall allocate the money transferred pursuant to subsection 1 upon notification that the City of Reno, the City of Sparks and Washoe County have committed to expend, in total, an equal amount of money on Truckee River improvement related projects. For the purpose of this section, Truckee River improvement related projects include any public project to improve the Truckee River for watershed protection, watershed restoration, recreation or flood control.
- 4. Upon acceptance of the money allocated pursuant to subsection 2, the Reno-Sparks Convention and Visitors Authority shall prepare and transmit a report to the Interim Finance Committee on or before December 15, [2006,] 2008, that describes each expenditure made from the money allocated pursuant to subsection 2 from the date on which the money was received by the Reno-Sparks Convention and Visitors Authority through December 1, [2006.] 2008.
- 5. The Reno-Sparks Convention and Visitors Authority shall not assess an administrative fee or fine upon any local governing bodies relating to compliance with the provisions of subsections 3 and 4.
- 6. A public review and approval process, as determined by the City of Reno, the City of Sparks and Washoe County, must be completed before the commencement of construction



of any project that uses money allocated pursuant to this section. Project design, construction documents and funding processes related to any such project must be approved by each local governing body having jurisdiction over the project. Each such project must conform to the parameters of the Truckee River Flood Control Project and the Truckee River Operating Agreement.

- 7. Any remaining balance of the sums transferred pursuant to subsection 1 must not be committed for expenditure after June 30, [2007,] 2009, and must be reverted to the Fund for the Promotion of Tourism on or before September [21, 2007,] 18, 2009.
- **Sec. 8.** Section 32 of chapter 7, Statutes of Nevada 2005, 22nd Special Session, at page 120, is hereby amended to read as follows:
 - Sec. 32. 1. There is hereby appropriated from the State General Fund to the Interim Finance Committee the sum of \$600,000 for allocation to the Reno-Sparks Convention and Visitors Authority to implement the Truckee River Recreational Master Plan as adopted by the City of Reno, the City of Sparks and Washoe County through a public review process. The money must be used to plan, obtain permits for, design and construct not more than four projects along the Truckee River that would enhance the recreational enjoyment, aquatic habitat and water quality of the Truckee River. The money must be expended on the following projects but is not limited to Rock Park, Pioneer Diversion Dam, Ambrose Park and Idlewild Park.
 - 2. The Interim Finance Committee shall allocate the money appropriated pursuant to subsection 1 upon notification that the City of Reno, the City of Sparks and Washoe County have committed to expend, in total, an equal amount of money on Truckee River improvement related projects. For the purpose of this section, Truckee River improvement related projects include any public project to improve the Truckee River for watershed protection, watershed restoration, recreation or flood control.
 - 3. Upon acceptance of the money allocated pursuant to subsection 2, the Reno-Sparks Convention and Visitors Authority shall prepare and transmit a report to the Interim Finance Committee on or before December 15, [2006,] 2008, that describes each expenditure made from the money allocated pursuant to subsection 2 from the date on which the money was received by the Reno-Sparks Convention and Visitors Authority through December 1, [2006.] 2008.



- 4. The Reno-Sparks Convention and Visitors Authority shall not assess an administrative fee or fine upon any local governing bodies relating to compliance with the provisions of subsections 2 and 3.
- 5. A public review and approval process, as determined by the City of Reno, the City of Sparks and Washoe County, must be completed before the commencement of construction of any project that uses money allocated pursuant to this section. Project design, construction documents and funding processes related to any such project must be approved by each local governing body having jurisdiction over the project. Each such project must conform to the parameters of the Truckee River Flood Control Project and the Truckee River Operating Agreement.
- 6. Any remaining balance of the sums appropriated pursuant to subsection 1 must not be committed for expenditure after June 30, [2007,] 2009, and must be reverted to the State General Fund on or before September [21, 2007.] 18, 2009.

Sec. 9. (Deleted by amendment.)

- **Sec. 9.5.** 1. The board of county commissioners of a county whose population is 100,000 or more but less than 400,000 shall determine whether the following criteria for the minor league baseball stadium project, as defined in NRS 244A.0344, have been met before October 1, 2007:
- (a) An agreement has been entered into with a minor league baseball team to play its home games at a baseball stadium that will be acquired, leased, improved, equipped, operated and maintained within the county;
- (b) If relocation of the minor league baseball team is required, approval for relocation of the team by the relevant league has been obtained:
- (c) The site for the minor league baseball stadium has been acquired or leased; and
- (d) Any approval required for the construction or improvement of the minor league baseball stadium has been obtained.
- 2. If the board determines pursuant to subsection 1 that all the criteria set forth in that subsection have been met, the board shall, as soon as practicable, make a finding indicating that all the criteria for the minor league baseball stadium project have been met. Such a finding is conclusive absent fraud or abuse of discretion.
- **Sec. 10.** 1. This section and sections 7, 8 and 9.5 of this act become effective upon passage and approval.



- 2. Sections 2.7 and 4.5 of this act become effective upon passage and approval and expire by limitation on October 1, 2007, if the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 has not made a finding pursuant to section 9.5 of this act.
- 3. Sections 1, 1.5, 2.5, 3, 4, 5 and 6 of this act become effective on October 1, 2007, if the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 has not made a finding pursuant to section 9.5 of this act.

20 ~~~~ 07

