

SENATE BILL NO. 203—SENATOR WASHINGTON

MARCH 5, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions concerning local financial administration. (BDR 20-711)

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 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:

1 Under existing law, the board of county commissioners of a county whose
2 population is 100,000 or more but less than 400,000 (currently Washoe County)
3 may impose a fee upon the rental of passenger vehicles and issue revenue bonds of
4 the county to acquire, improve, equip, operate and maintain a minor league baseball
5 stadium project to be used for the home games of a Double-A or Triple-A affiliate
6 of a Major League Baseball team. (NRS 244A.0344, 244A.058, 244A.800,
7 244A.830) **Section 9.5** of this bill requires such a board of county commissioners to
8 determine whether certain criteria for the minor league baseball stadium project
9 have been met by October 1, 2007, and make a finding if all the criteria have been
10 met. If the criteria have not been met by October 1, 2007, **sections 1-6** of this bill
11 allow the proceeds of the applicable fees on the rental of passenger vehicles and
12 related revenue bonds to be used to acquire, lease, improve, equip, operate and
13 maintain any project that has been approved by the Legislature, if the Legislature is
14 in session, or by the Interim Finance Committee, if the Legislature is not in session.
15 Such a project may include the acquisition, lease, improvement, equipment,
16 operation and maintenance of a baseball stadium that can be used for the home
17 games of any professional baseball team, and for certain other purposes, regardless
18 of whether the professional baseball team is affiliated with a Major League
19 Baseball team.



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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~~



1 ~~league~~ *professional* baseball stadium, including, without limitation,
2 all types of property therefor.

3 **Sec. 2.7.** NRS 244A.058 is hereby amended to read as
4 follows:

5 244A.058 1. A board that has adopted an ordinance imposing
6 a fee pursuant to NRS 244A.810 may, on behalf of the county and in
7 its name:

8 (a) Acquire, *lease*, improve, equip, operate and maintain within
9 the county a minor league baseball stadium project.

10 (b) Subject to the provisions of chapter 350 of NRS, issue
11 revenue bonds of the county to acquire, *lease*, improve or equip, or
12 any combination thereof, within the county a minor league baseball
13 stadium project.

14 2. Bonds issued pursuant to this section must be payable from
15 the proceeds of the fee imposed by the county pursuant to NRS
16 244A.810 and may be additionally secured by and payable from the
17 gross or net revenues of the minor league baseball stadium project,
18 including, without limitation, amounts received from any minor
19 league baseball team pursuant to a contract with that team, fees,
20 rates and charges for the use of the stadium by a minor league
21 baseball team or any other uses of the stadium, and related uses,
22 including, without limitation, parking and concessions, surcharges
23 on tickets in an amount approved by the board, grants, whether
24 conditional or unconditional, made for the payment of debt service
25 or otherwise for the purposes of the minor league baseball stadium
26 project, and any and all other sources of revenue attributable to the
27 minor league baseball stadium project as provided by the board in
28 the ordinance authorizing the issuance of bonds or any instrument
29 supplemental or appertaining thereto.

30 *3. The provisions of chapters 332, 338 and 339 of NRS do not*
31 *apply to a contract entered into by a county and a private*
32 *developer pursuant to which the private developer constructs a*
33 *minor league baseball stadium project, except that the contract*
34 *must include a provision stating that the requirements of NRS*
35 *338.010 to 338.090, inclusive, apply to any construction work to be*
36 *performed under the contract.*

37 **Sec. 3.** NRS 244A.058 is hereby amended to read as follows:

38 244A.058 1. A board ~~[that has adopted an ordinance~~
39 ~~imposing a fee pursuant to NRS 244A.810]~~ *in a county whose*
40 *population is 100,000 or more but less than 400,000* may, on
41 behalf of the county and in its name:

42 (a) Acquire, *lease*, improve, equip, operate and maintain within
43 the county a ~~[minor league]~~ *professional* baseball stadium project.

44 (b) Subject to the provisions of chapter 350 of NRS, issue
45 revenue bonds of the county to acquire, *lease*, improve or equip, or



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1 any combination thereof, within the county a ~~[minor league]~~
2 **professional** baseball stadium project.

3 2. Bonds issued pursuant to this section must be ~~[payable from~~
4 ~~the proceeds of the fee imposed by the county pursuant to NRS~~
5 ~~244A.810 and may be additionally]~~ secured by and payable from the
6 gross or net revenues of the ~~[minor league]~~ **professional** baseball
7 stadium project, including, without limitation, amounts received
8 from any ~~[minor league]~~ **professional** baseball team pursuant to a
9 contract with that team, fees, rates and charges for the use of the
10 stadium by a ~~[minor league]~~ **professional** baseball team or any other
11 uses of the stadium, and related uses, including, without limitation,
12 parking and concessions, surcharges on tickets in an amount
13 approved by the board, grants, whether conditional or unconditional,
14 made for the payment of debt service or otherwise for the purposes
15 of the ~~[minor league]~~ **professional** baseball stadium project, and any
16 and all other sources of revenue attributable to the ~~[minor league]~~
17 **professional** baseball stadium project as provided by the board in
18 the ordinance authorizing the issuance of bonds or any instrument
19 supplemental or appertaining thereto.

20 3. *The provisions of chapters 332, 338 and 339 of NRS do not*
21 *apply to a contract entered into by a county and a private*
22 *developer pursuant to which the private developer constructs a*
23 *professional baseball stadium project, except that the contract*
24 *must include a provision stating that the requirements of NRS*
25 *338.010 to 338.090, inclusive, apply to any construction work to be*
26 *performed under the contract.*

27 **Sec. 4.** NRS 244A.800 is hereby amended to read as follows:

28 244A.800 As used in NRS 244A.800 to 244A.830, inclusive:

29 1. "Department" means the Department of Taxation.

30 2. ~~["Minor league"]~~ **"Professional** baseball stadium project" has
31 the meaning ascribed to it in NRS 244A.0344.

32 **Sec. 4.5.** NRS 244A.810 is hereby amended to read as
33 follows:

34 244A.810 1. Except as otherwise provided in subsection 2,
35 the board of county commissioners of a county whose population is
36 100,000 or more but less than 400,000 may by ordinance impose a
37 fee upon the lease of a passenger car by a short-term lessor in the
38 county in the amount of not more than 2 percent of the total amount
39 for which the passenger car was leased, excluding any taxes or other
40 fees imposed by a governmental entity.

41 2. The fee imposed pursuant to subsection 1 must not apply to
42 replacement vehicles. As used in this subsection, "replacement
43 vehicle" means a vehicle that is:



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1 (a) Rented temporarily by or on behalf of a person or leased to a
2 person by a facility that repairs motor vehicles or a motor vehicle
3 dealer; and

4 (b) Used by the person in place of a motor vehicle owned by the
5 person that is unavailable for use because of mechanical breakdown,
6 repair, service, damage or loss as defined in the owner's policy of
7 liability insurance for the motor vehicle.

8 3. Any proceeds of a fee imposed pursuant to this section
9 which are received by a county must be used solely to pay the costs
10 to acquire, *lease*, improve, equip, operate and maintain within the
11 county a minor league baseball stadium project, or to pay the
12 principal of, interest on or other payments due with respect to bonds
13 issued to pay such costs, including bonds issued to refund bonds
14 issued to pay such costs, or any combination thereof.

15 4. The board of county commissioners shall not repeal or
16 amend or otherwise directly or indirectly modify an ordinance
17 imposing a fee pursuant to subsection 1 in such a manner as to
18 impair any outstanding bonds issued by or other obligations
19 incurred by the county until all obligations for which revenue from
20 the ordinance have been pledged or otherwise made payable from
21 such revenue have been discharged in full or provision for full
22 payment and redemption has been made.

23 5. As used in this section, the words and terms defined in NRS
24 482.053 and 482.087 have the meanings ascribed to them in those
25 sections.

26 **Sec. 5.** NRS 244A.810 is hereby amended to read as follows:

27 244A.810 1. Except as otherwise provided in subsection 2,
28 the board of county commissioners of a county whose population is
29 100,000 or more but less than 400,000 may by ordinance impose a
30 fee upon the lease of a passenger car by a short-term lessor in the
31 county in the amount of not more than 2 percent of the total amount
32 for which the passenger car was leased, excluding any taxes or other
33 fees imposed by a governmental entity.

34 2. The fee imposed pursuant to subsection 1 must not apply to
35 replacement vehicles. As used in this subsection, "replacement
36 vehicle" means a vehicle that is:

37 (a) Rented temporarily by or on behalf of a person or leased to a
38 person by a facility that repairs motor vehicles or a motor vehicle
39 dealer; and

40 (b) Used by the person in place of a motor vehicle owned by the
41 person that is unavailable for use because of mechanical breakdown,
42 repair, service, damage or loss as defined in the owner's policy of
43 liability insurance for the motor vehicle.

44 3. Any proceeds of a fee imposed pursuant to this section
45 which are received by a county must be used solely to pay the costs



1 to acquire, *lease*, improve, equip, operate and maintain within the
2 county a ~~{minor league baseball stadium}~~ project ~~{,}~~ *that has been*
3 *approved by the Legislature, if the Legislature is in session, or the*
4 *Interim Finance Committee, if the Legislature is not in session*, or
5 to pay the principal of, interest on or other payments due with
6 respect to bonds issued to pay such costs, including bonds issued to
7 refund bonds issued to pay such costs, or any combination thereof.

8 4. The board of county commissioners shall not repeal or
9 amend or otherwise directly or indirectly modify an ordinance
10 imposing a fee pursuant to subsection 1 in such a manner as to
11 impair any outstanding bonds issued by or other obligations
12 incurred by the county until all obligations for which revenue from
13 the ordinance have been pledged or otherwise made payable from
14 such revenue have been discharged in full or provision for full
15 payment and redemption has been made.

16 5. As used in this section, the words and terms defined in NRS
17 482.053 and 482.087 have the meanings ascribed to them in those
18 sections.

19 **Sec. 6.** NRS 244A.830 is hereby amended to read as follows:

20 244A.830 1. A board of county commissioners that ~~{adopts~~
21 ~~an ordinance imposing a fee pursuant to NRS 244A.810}~~ *acquires,*
22 *leases, improves, equips, operates and maintains within the county*
23 *a professional baseball stadium project* ~~{shall}~~ *may* create a
24 stadium authority to operate the ~~{minor league}~~ *professional*
25 baseball stadium project.

26 **2. If a stadium authority is created:**

27 (a) The stadium authority must consist of:

28 ~~{(a)}~~ (1) One member of the board of county commissioners
29 appointed by the board;

30 ~~{(b)}~~ (2) One member from the governing body of each city in
31 the county whose population is 60,000 or more, appointed by that
32 governing body; and

33 ~~{(c)}~~ (3) If the stadium authority enters into an agreement with
34 ~~{an AA or AAA minor league}~~ *a professional* baseball team
35 pursuant to which the team agrees to play its home games in the
36 stadium, two persons appointed by the owner of the team.

37 ~~{2-}~~ (b) The members of the stadium authority serve at the
38 pleasure of the governmental entity or person who appointed them
39 to serve in that capacity.

40 ~~{3-}~~ (c) The stadium authority shall:

41 ~~{(a)}~~ (1) Be responsible for the normal operations of the ~~{minor~~
42 ~~league}~~ *professional* baseball stadium project ~~{, and~~

43 ~~—(b)}~~ *or such operations as may be specified in the agreement*
44 *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:

For the Fiscal Year 2005-2006 \$600,000

For the Fiscal Year 2006-2007 \$50,000

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.



1 5. The Reno-Sparks Convention and Visitors Authority
2 shall not assess an administrative fee or fine upon any local
3 governing bodies relating to compliance with the provisions
4 of subsections 3 and 4.

5 6. A public review and approval process, as determined
6 by the City of Reno, the City of Sparks and Washoe County,
7 must be completed before the commencement of construction
8 of any project that uses money allocated pursuant to this
9 section. Project design, construction documents and funding
10 processes related to any such project must be approved by
11 each local governing body having jurisdiction over the
12 project. Each such project must conform to the parameters of
13 the Truckee River Flood Control Project and the Truckee
14 River Operating Agreement.

15 7. Any remaining balance of the sums transferred
16 pursuant to subsection 1 must not be committed for
17 expenditure after June 30, ~~2007,~~ 2009, and must be reverted
18 to the Fund for the Promotion of Tourism on or before
19 September ~~21, 2007,~~ 18, 2009.

20 **Sec. 8.** Section 32 of chapter 7, Statutes of Nevada 2005, 22nd
21 Special Session, at page 120, is hereby amended to read as follows:

22 Sec. 32. 1. There is hereby appropriated from the
23 State General Fund to the Interim Finance Committee the
24 sum of \$600,000 for allocation to the Reno-Sparks
25 Convention and Visitors Authority to implement the Truckee
26 River Recreational Master Plan as adopted by the City of
27 Reno, the City of Sparks and Washoe County through a
28 public review process. The money must be used to plan,
29 obtain permits for, design and construct not more than four
30 projects along the Truckee River that would enhance the
31 recreational enjoyment, aquatic habitat and water quality of
32 the Truckee River. The money must be expended on the
33 following projects but is not limited to Rock Park, Pioneer
34 Diversion Dam, Ambrose Park and Idlewild Park.

35 2. The Interim Finance Committee shall allocate the
36 money appropriated pursuant to subsection 1 upon
37 notification that the City of Reno, the City of Sparks and
38 Washoe County have committed to expend, in total, an equal
39 amount of money on Truckee River improvement related
40 projects. For the purpose of this section, Truckee River
41 improvement related projects include any public project to
42 improve the Truckee River for watershed protection,
43 watershed restoration, recreation or flood control.

44 3. Upon acceptance of the money allocated pursuant to
45 subsection 2, the Reno-Sparks Convention and Visitors



1 Authority shall prepare and transmit a report to the Interim
2 Finance Committee on or before December 15, ~~[2006,]~~ 2008,
3 that describes each expenditure made from the money
4 allocated pursuant to subsection 2 from the date on which the
5 money was received by the Reno-Sparks Convention and
6 Visitors Authority through December 1, ~~[2006,]~~ 2008.

7 4. The Reno-Sparks Convention and Visitors Authority
8 shall not assess an administrative fee or fine upon any local
9 governing bodies relating to compliance with the provisions
10 of subsections 2 and 3.

11 5. A public review and approval process, as determined
12 by the City of Reno, the City of Sparks and Washoe County,
13 must be completed before the commencement of construction
14 of any project that uses money allocated pursuant to this
15 section. Project design, construction documents and funding
16 processes related to any such project must be approved by
17 each local governing body having jurisdiction over the
18 project. Each such project must conform to the parameters of
19 the Truckee River Flood Control Project and the Truckee
20 River Operating Agreement.

21 6. Any remaining balance of the sums appropriated
22 pursuant to subsection 1 must not be committed
23 for expenditure after June 30, ~~[2007,]~~ 2009, and must
24 be reverted to the State General Fund on or before
25 September ~~[21, 2007,]~~ 18, 2009.

26 **Sec. 9.** (Deleted by amendment.)

27 **Sec. 9.5.** 1. The board of county commissioners of a county
28 whose population is 100,000 or more but less than 400,000 shall
29 determine whether the following criteria for the minor league
30 baseball stadium project, as defined in NRS 244A.0344, have been
31 met before October 1, 2007:

32 (a) An agreement has been entered into with a minor league
33 baseball team to play its home games at a baseball stadium that will
34 be acquired, leased, improved, equipped, operated and maintained
35 within the county;

36 (b) If relocation of the minor league baseball team is required,
37 approval for relocation of the team by the relevant league has been
38 obtained;

39 (c) The site for the minor league baseball stadium has been
40 acquired or leased; and

41 (d) Any approval required for the construction or improvement
42 of the minor league baseball stadium has been obtained.

43 2. If the board determines pursuant to subsection 1 that all the
44 criteria set forth in that subsection have been met, the board shall, as
45 soon as practicable, make a finding indicating that all the criteria for



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1 the minor league baseball stadium project have been met. Such a
2 finding is conclusive absent fraud or abuse of discretion.

3 **Sec. 10.** 1. This section and sections 7, 8 and 9.5 of this act
4 become effective upon passage and approval.

5 2. Sections 2.7 and 4.5 of this act become effective upon
6 passage and approval and expire by limitation on October 1, 2007, if
7 the board of county commissioners of a county whose population is
8 100,000 or more but less than 400,000 has not made a finding
9 pursuant to section 9.5 of this act.

10 3. Sections 1, 1.5, 2.5, 3, 4, 5 and 6 of this act become effective
11 on October 1, 2007, if the board of county commissioners of a
12 county whose population is 100,000 or more but less than 400,000
13 has not made a finding pursuant to section 9.5 of this act.

