

SENATE BILL NO. 392—SENATOR NOLAN

MARCH 19, 2007

Referred to Committee on Transportation and Homeland Security

SUMMARY—Authorizes certain governmental entities to establish, construct and operate toll roads and toll bridges. (BDR 35-815)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to transportation; authorizing certain governmental entities to establish, construct and operate toll projects which include toll roads and toll bridges; authorizing the issuance of revenue bonds or other securities constituting special obligations to fund a toll project; authorizing the assessment and collection of tolls; prohibiting certain actions relating to the collection of tolls; providing penalties; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law does not specifically authorize municipalities or the Department of Transportation to establish, construct and operate toll roads and toll bridges. **Section 19** of this bill authorizes certain governmental entities, namely the Department, certain municipalities and toll districts, to establish, construct and operate toll projects which include toll roads and toll bridges, and to assess tolls for the use of the toll roads and toll bridges. The municipalities with such authorization are described in **section 8** of this bill as cities whose population is 10,000 or more (currently the cities of Las Vegas, Reno, Henderson, North Las Vegas, Sparks, Carson City, Elko and Boulder City) and counties whose population is 100,000 or more (currently Clark and Washoe Counties). A toll district with such authorization is described in **section 11** of this bill as a political subdivision created by one or more such municipalities for the purpose of planning, designing, financing, constructing, operating and maintaining a toll project within the geographical boundaries of the toll district. **Sections 45 and 46** of this bill authorize such governmental entities to issue revenue bonds or other securities constituting special obligations under state law to fund a toll project. **Section 34** of this bill provides



* S B 3 9 2 *

that tolls may be collected by any method that identifies the correct toll and collects the payment, including manual toll collection, electronic toll collection or use of a photo-monitoring system. **Section 36** of this bill authorizes such governmental entities to enter into agreements authorizing other public or private entities to design, develop, finance construct, maintain, repair or operate a toll project. **Sections 41 and 42** of this bill provide criminal penalties for failure to pay tolls and for submitting false information to such a governmental entity concerning ownership of a motor vehicle to evade the payment of a toll.

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

Section 1. Title 35 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 58, inclusive, of this act.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 16, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 3. *“Department” means the Department of Transportation.*

Sec. 4. *“Governmental entity” means the Department, a municipality or a toll district.*

Sec. 5. *“High-occupancy toll lane” means a designated high-occupancy vehicle lane that may be used by an operator of a vehicle carrying less than the number of persons specified for the high-occupancy vehicle lane if the operator of the vehicle pays a toll or fee.*

Sec. 6. *“Local government” means a political subdivision of this State, including a county, a political subdivision of a county, a group of adjoining counties, a district or a city.*

Sec. 7. *“Managed-lane project” means a project that designates any portion of a roadway, highway, street, road or other right-of-way used primarily for vehicular traffic for the purpose of increasing efficiency through various operational and design actions adaptable to meet the expectation of users for less congestion, and which may include the assessment of a toll.*

Sec. 8. *“Municipality” means a city whose population is 10,000 or more or a county whose population is 100,000 or more.*

Sec. 9. *“Toll” means any tax, fee or charge assessed for the specific use of a toll road or toll bridge.*

Sec. 10. *“Toll bridge” means a bridge constructed or acquired pursuant to this chapter upon which tolls are charged, together with all appurtenances, additions, alterations, improvements and replacements thereof, the approaches thereto,*



1 all land and interests used therefore and buildings and
2 improvements thereon.

3 **Sec. 11.** *"Toll district" means a political subdivision of this*
4 *State created by the governing bodies of one or more*
5 *municipalities for the purpose of planning, designing, financing,*
6 *constructing, operating and maintaining a toll project within the*
7 *geographical boundaries of the toll district.*

8 **Sec. 12.** *"Toll facility" means a toll booth, toll plaza or*
9 *similar facility which is part of a toll project and at which tolls are*
10 *collected.*

11 **Sec. 13.** *"Toll project" means any roadway, highway, street,*
12 *road or other right-of-way used primarily for vehicular traffic*
13 *constructed or to be constructed as a toll road pursuant to the*
14 *provisions of this chapter, including, without limitation, all*
15 *bridges, tunnels, overpasses, underpasses, managed lanes,*
16 *interchanges, entrance plazas, approaches, toll facilities, service*
17 *areas, service facilities, communications facilities, and*
18 *administration, storage and other buildings that the Department*
19 *determines necessary for the operation of the toll project, together*
20 *with all property, rights, easements and interests that may be*
21 *acquired by the Department for the construction or operation of*
22 *the toll project.*

23 **Sec. 14.** *"Toll road" means any roadway, highway, street,*
24 *road or other right-of-way used primarily for vehicular traffic and*
25 *for which a charge is paid on the basis of use.*

26 **Sec. 15.** *"Toll system" means a toll system created pursuant*
27 *to section 35 of this act which is composed of two or more toll*
28 *projects.*

29 **Sec. 16.** *"Transportation facility" means any road, lane,*
30 *railroad, bridge, tunnel, overpass, airport, mass transit facility,*
31 *parking facility for vehicles or similar commercial facility used for*
32 *the support or the transportation of persons or goods, including,*
33 *without limitation, any property that is needed to operate the*
34 *facility.*

35 **Sec. 17.** *1. This chapter is established in consideration of*
36 *and consistent with the declaration of legislative intent contained*
37 *in NRS 408.100. The purposes of this chapter are:*

38 *(a) To grant to governmental entities the greatest degree of*
39 *authority, flexibility and options for the financing, planning,*
40 *design, construction, operation and maintenance of transportation*
41 *facilities;*

42 *(b) To provide for the creation of toll districts authorized to*
43 *develop, finance, operate, expand and improve transportation*
44 *facilities and systems in this State; and*



(c) To optimize and leverage public and private money to finance improvements in transportation and to increase the effectiveness and efficiency of transportation options, maximize existing capacity, manage demand, improve safety and generate revenue.

2. This chapter must be liberally construed to permit the accomplishment of its purposes.

Sec. 18. 1. The exercise by a governmental entity of the powers conferred by this chapter in the acquisition, design, financing, construction, operation and maintenance of a toll project or toll system is:

(a) In all respects for the benefit of the people of this State, through the improvement of their health, living conditions and public safety; and

(b) An essential governmental function of this State.

2. The operation of a toll project, toll system or managed-lane project is a governmental, not a proprietary, function.

Sec. 19. 1. A governmental entity may provide for the establishment, construction and operation of a toll project and assess a toll for the use of a toll road or toll bridge within its jurisdiction.

2. A governmental entity, for the purpose of exercising its powers and performing its duties pursuant to this chapter, may:

(a) Adopt rules for the regulation of its affairs and the conducting of its business;

(b) Adopt an official seal;

(c) Study, evaluate, design, acquire, construct, maintain, repair and operate toll projects and toll systems;

(d) Acquire, hold and dispose of property;

(e) Enter into contracts or operating agreements with authorities or agencies of the United States or any other state;

(f) Enter into any other contracts or agreements necessary or incidental to its powers and duties under this chapter;

(g) Cooperate and work directly with property owners and governmental agencies and officials to support an activity required to promote or develop a toll project or toll system;

(h) Employ and set the compensation and benefits of administrators, consulting engineers, attorneys, accountants, construction and financial experts, superintendents, managers, full-time and part-time employees, agents, consultants and such other persons as the governmental entity considers necessary or useful;

(i) Receive any gift, grant or other contribution for the construction of a toll project or toll system and receive any contribution of money, property, labor or other thing of value



1 *from any source, including the United States, this State, any other*
2 *state, any local government or private source to be used for the*
3 *purposes for which the gift, grant or contribution is made, and*
4 *may enter into any agreement necessary for the receipt and use of*
5 *the gift, grant or contribution;*

6 *(j) Install, construct, maintain, repair, renew, relocate and*
7 *remove any facility of a public utility in, on, along, over or under a*
8 *toll project or toll system;*

9 *(k) Approve, set, impose and adjust tolls in amounts sufficient*
10 *to carry out a transportation improvement plan;*

11 *(l) Exercise the power of eminent domain as provided in*
12 *chapter 37 of NRS;*

13 *(m) Enter into any lease, operating agreement, service*
14 *agreement, license agreement, franchise agreement or similar*
15 *agreement with a public or private organization governing the use*
16 *by the organization of any portion of a toll project or toll system*
17 *and the rights and obligations of the governmental entity with*
18 *respect to the toll project or toll system; and*

19 *(n) Do all things necessary or appropriate to carry out the*
20 *powers expressly granted by this chapter.*

21 *3. A governmental entity may rent, lease, franchise, license or*
22 *otherwise make portions of its properties available for use by*
23 *others in furtherance of its powers under this chapter by*
24 *increasing the feasibility or the revenues of a toll project or toll*
25 *system.*

26 *4. A governmental entity may enter into a contract or*
27 *agreement under which it will operate a toll project or toll system*
28 *on behalf of the State or another governmental entity. If a*
29 *governmental entity enters into a contract or agreement to design,*
30 *finance, construct, operate, maintain or perform any other*
31 *function relating to a toll project or toll system on behalf of the*
32 *State or another governmental entity, the contract or agreement*
33 *may provide that the governmental entity, in performing the*
34 *function, is governed by the applicable provisions of this chapter*
35 *and the rules and procedures adopted by it pursuant thereto, in*
36 *lieu of any law, rule or procedure applicable to the State or the*
37 *other governmental entity with respect to the performance of the*
38 *same function.*

39 **Sec. 20. 1. A governmental entity may adopt and enforce**
40 **rules not inconsistent with this chapter for the use of any toll**
41 **project or toll system, including rules relating to traffic and public**
42 **safety.**

43 **2. A governmental entity other than the Department shall**
44 **comply with the provisions of the Local Government Purchasing**
45 **Act in its procurement of goods and services.**



3. A rule adopted by a governmental entity must be published in a newspaper of general circulation in the area in which it may exercise jurisdiction and be posted on the Internet website of the governmental entity once each week for 2 consecutive weeks after adoption. The notice must contain a condensed statement of the substance of the rule and provide that a copy of the complete text of the rule is filed in the principal office of the governmental entity, where it is available to be read by any person. A rule may take effect not earlier than 10 days after the date of the second newspaper publication.

Sec. 21. One or more municipalities may establish a toll district within the jurisdiction of the municipalities for the purpose of acquiring, constructing, improving, providing, operating and funding a transportation facility within the toll district that is consistent with any existing state, regional and local transportation plans and necessitated by existing or reasonably foreseeable levels of traffic congestion.

Sec. 22. 1. A toll district must be governed by a board of directors whose members are appointed by the municipality or municipalities that created the toll district.

2. In the event that a toll district consists of two or more municipalities, each municipality shall appoint at least one board member and shall determine the method of appointment of other board members.

3. A board must consist of not less than five members. The municipality or municipalities establishing a toll district may agree on a larger board, but the board must consist of an odd number of members.

4. A person appointed as a member of the board must not have a substantial financial interest in the ownership or negotiation of securities issued by this State or any of its political subdivisions.

5. While engaged in the business of the toll district, a member of the board is entitled to the per diem allowance and travel expenses provided for state officers and employees generally.

Sec. 23. 1. The board of directors of a toll district is responsible for setting and carrying out policies, rules and regulations for the toll district, approving expenditures, developing a transportation plan for the toll district and carrying out the provisions of this chapter.

2. The term of each member of the board is 4 years, except that the initial board of a toll district must consist of at least 2 members with 6-year terms. Upon expiration of those initial 6-year terms, the term of all members is 4 years. A member of the board



1 *may be reappointed at the discretion of the appointing*
2 *municipality.*

3 *3. A vacancy in a position must be filled promptly by the*
4 *municipality that made the appointment.*

5 *4. Each member of the board has equal status and voting*
6 *rights.*

7 **Sec. 24.** *1. The board of directors of a toll district shall:*

8 *(a) Elect one of its members as chairman and one of its*
9 *members as vice chairman;*

10 *(b) Develop and approve rules or bylaws for its self-*
11 *governance which must be consistent with this chapter; and*

12 *(c) Establish a schedule of regular meetings. The board shall*
13 *hold at least six meetings each year and shall comply with the*
14 *provisions of chapter 241 of NRS.*

15 *2. A majority of the members serving on the board constitutes*
16 *a quorum, and the vote of a majority of the members present is*
17 *necessary for any action taken by the board.*

18 **Sec. 25.** *It is a ground for the removal of a member of the*
19 *board of directors of a toll district if he:*

20 *1. Cannot discharge his duties for a substantial part of the*
21 *term for which he is appointed because of illness or disability; or*

22 *2. Is absent from more than one-half of the regularly*
23 *scheduled board meetings that he is eligible to attend during any*
24 *year.*

25 **Sec. 26.** *The actions of a toll district are the actions of its*
26 *board of directors and may be evidenced in any legal manner,*
27 *including the passage of a resolution. The validity of an action of*
28 *the board is not affected by the fact that it is taken when a ground*
29 *for the removal of a member of the board exists.*

30 **Sec. 27.** *Subject to the provisions of this chapter, the*
31 *governing body of a governmental entity may designate one or*
32 *more lanes of a highway system as a toll project, toll system or*
33 *managed-lane project.*

34 **Sec. 28.** *In deciding whether to approve a proposed toll*
35 *project, a governmental entity shall consider:*

36 *1. The feasibility of effectively integrating the toll project into*
37 *an existing state, county or city roadway system or plan; and*

38 *2. The ability of any governmental entity to construct*
39 *connecting roads necessary for the toll project to produce*
40 *sufficient revenue to pay the debt incurred for the construction of*
41 *the toll project.*

42 **Sec. 29.** *To the extent practicable, a governmental entity*
43 *shall consider the following criteria with respect to a toll project or*
44 *toll system:*



- 1 *1. Reduced risk of failure of a transportation facility and*
- 2 *improved safety;*
- 3 *2. Decreased travel time;*
- 4 *3. Improved air quality;*
- 5 *4. Increased daily and peak-period trip capacities;*
- 6 *5. Improved modal connectivity;*
- 7 *6. Improved freight mobility;*
- 8 *7. Cost-effectiveness;*
- 9 *8. Optimal performance of the toll project or toll system; and*
- 10 *9. Other criteria that the governmental entity determines*
- 11 *appropriate.*

12 **Sec. 30.** *1. One or more cities or counties, or any group of*
13 *persons in this State, may pay any part of the expenses of studying*
14 *the cost and feasibility of, and any other expenses relating to:*

15 *(a) The preparation and issuance of revenue bonds or other*
16 *securities constituting special obligations for the construction of a*
17 *proposed toll project or toll system;*

18 *(b) The improvement, extension or expansion of an existing*
19 *toll project or toll system; or*

20 *(c) The authorization by the Department pursuant to NRS*
21 *408.5473 of a person to develop, construct, improve, maintain or*
22 *operate, or any combination thereof, a transportation facility.*

23 *2. With the consent of a governmental entity, any expenses*
24 *paid pursuant to this section for a proposed toll project or toll*
25 *system are reimbursable from the proceeds of any revenue bonds*
26 *or other securities issued for, or other proceeds that may be used*
27 *for, the financing, design, development, construction,*
28 *improvement, extension, expansion or operation of the toll project*
29 *or toll system.*

30 **Sec. 31.** *1. A governmental entity may:*

31 *(a) Impose tolls for the use of a toll project or toll system and*
32 *each segment or part of a toll project or toll system; and*

33 *(b) Contract with a person for the use or lease of any part of a*
34 *toll project or toll system for a gas station, a garage, a store, a*
35 *hotel, a restaurant, railroad tracks, utilities and*
36 *telecommunications facilities and equipment, and set the terms for*
37 *the use or lease.*

38 *2. The tolls and other revenues derived from a toll project or*
39 *toll system for which revenue bonds or other securities*
40 *constituting special obligations are issued, except any part of the*
41 *tolls and revenues necessary to pay the costs of the maintenance,*
42 *repair and operation of the toll project or toll system and to*
43 *provide reserves for those costs as provided in the order*
44 *authorizing the issuance of the bonds or other securities or in the*
45 *trust agreement securing the bonds or other securities, must be set*



1 *aside at regular intervals as provided in the order or trust*
2 *agreement in a sinking fund that is pledged to and charged with*
3 *the payment of:*

- 4 (a) *The interest on the bonds as it becomes due;*
- 5 (b) *The principal of the bonds as it becomes due;*
- 6 (c) *Necessary charges of agents for making payments of*
7 *principal and interest; and*
- 8 (d) *The redemption price of bonds or other securities which*
9 *are called for redemption before maturity.*

10 **Sec. 32.** 1. *A governmental entity shall adopt rules*
11 *governing the setting and collection of tolls.*

12 2. *Tolls must be set at an amount sufficient so that, at a*
13 *minimum, the aggregate receipts of the tolls from a toll project or*
14 *toll system are adequate:*

15 (a) *To provide an amount of money which, when combined*
16 *with other revenues and contributions, if any, is sufficient to pay:*

17 (1) *The cost of maintaining, repairing and operating the*
18 *toll project or toll system; and*

19 (2) *The principal and interest on the bonds or other*
20 *securities issued by the governmental entity for the toll project or*
21 *toll system as those bonds or other securities become due; and*

22 (b) *To create reserves for the purposes listed in paragraph (a).*

23 3. *Tolls may vary by the type of vehicle, time of day, traffic*
24 *conditions or other factors designed to improve the performance*
25 *of the toll project or toll system.*

26 4. *A governmental entity may charge a toll for the use of one*
27 *or more lanes, including a high-occupancy toll lane or a*
28 *designated exclusive lane under a managed-lane project within its*
29 *jurisdiction, and may enter into an agreement with another*
30 *governmental entity to charge a toll for the use of one or more*
31 *lanes within the jurisdiction of the other governmental entity.*

32 5. *Revenue generated from tolls assessed by another*
33 *governmental entity with which a governmental entity enters into*
34 *an agreement pursuant to this section must be allocated as*
35 *required by the terms of the agreement.*

36 **Sec. 33.** *A governmental entity may charge a toll for the use*
37 *of a designated exclusive lane under a managed-lane project if:*

38 1. *A toll is charged for the lanes that are adjacent to the*
39 *exclusive lane; or*

40 2. *A vehicle that may use the exclusive lane may also use the*
41 *lanes that are adjacent to the exclusive lane without paying a toll.*

42 **Sec. 34.** 1. *Tolls may be collected by any method that*
43 *identifies the correct toll and collects the payment, including,*
44 *without limitation, manual toll collection, electronic toll collection*
45 *and a photo-monitoring system.*



2. If a governmental entity uses electronic toll collection, the governmental entity shall adopt rules which, to the extent that available technology permits:

(a) Allow an open standard for automatic vehicle identification transponders used for electronic toll collection to be compatible with other electronic payment devices or transponders from other public transportation systems or other toll collection systems; and

(b) Allow for multiple vendors providing electronic payment devices or transponders.

3. No photograph, digital photograph, microphotograph, videotape or other recorded image may be:

(a) Used for any purpose other than law enforcement or to enforce the payment of tolls; or

(b) Retained longer than necessary to verify that tolls are paid.

4. A governmental entity may charge reasonable fees for administering accounts of customers for electronic toll collection.

5. Information regarding the accounts of customers for electronic toll collection, including, without limitation, contact and payment information and trip data, is confidential.

6. A contract for the acquisition, construction, maintenance or operation of a toll project or toll system must ensure the confidentiality of all such information.

7. As used in this section:

(a) "Electronic toll collection" means a system of collecting tolls that is capable of charging the account of the operator of a motor vehicle the appropriate toll by electronic transmission of information from the motor vehicle to the toll collection system.

(b) "Photo-monitoring system" means a vehicle sensor which is installed to work in conjunction with an electronic toll collection system in a toll facility and which automatically produces one or more photographs or microphotographs, a videotape or other recorded image of each vehicle at the time it travels through the toll facility.

Sec. 35. 1. If a governmental entity determines that the traffic needs of the area within its jurisdiction and the traffic needs of the surrounding region could be most efficiently and economically met by jointly operating two or more toll projects as one operational and financial enterprise, it may create a toll system composed of those toll projects. A governmental entity may create more than one toll system and may combine two or more toll systems into one toll system. A governmental entity may finance, acquire, construct and operate additional toll projects as additions to and expansions of a toll system if the governmental entity determines that the toll project could most efficiently and



1 *economically be acquired and constructed if it were a part of the*
2 *toll system and that the addition will benefit the toll system.*

3 2. *The revenue and disbursements for each toll system must*
4 *be accounted for separately and may not be commingled with the*
5 *revenue of a toll project that is not a part of the toll system or with*
6 *the revenue of another toll system.*

7 **Sec. 36.** 1. *A governmental entity may enter into an*
8 *agreement with a public or private entity:*

9 (a) *To permit the governmental entity and the public or private*
10 *entity, independently or jointly, to design, develop, finance,*
11 *construct, maintain, repair or operate a toll project; or*

12 (b) *To provide services, to study the feasibility of a toll project,*
13 *or to finance, construct, operate and maintain a toll project.*

14 2. *A governmental entity may enter into an agreement with*
15 *another governmental entity to acquire a toll project or toll system*
16 *from that other governmental entity and to assume any debts,*
17 *obligations and liabilities of that governmental entity relating to*
18 *the toll project or toll system.*

19 **Sec. 37.** *A governmental entity may authorize the use of any*
20 *surplus revenue of a toll project or toll system to pay the costs of*
21 *any transportation project or highway project within the*
22 *jurisdiction in which any part of the toll project or toll system is*
23 *located, except that no action may be taken under this section that*
24 *violates, impairs or is inconsistent with the terms of a bond or*
25 *other security, trust agreement or indenture governing the use of*
26 *the surplus revenue.*

27 **Sec. 38.** 1. *A governmental entity shall have an*
28 *independent certified public accountant audit its books and*
29 *accounts for each toll project or toll system at least annually. The*
30 *cost of the audit may be treated as part of the cost of construction*
31 *or operation of the toll project or toll system.*

32 2. *This section does not affect the authority of any state*
33 *agency pursuant to a specific statute to audit the books and*
34 *accounts of a governmental entity.*

35 **Sec. 39.** *A governmental entity may enter into an agreement*
36 *with one or more persons to provide, on terms approved by the*
37 *governmental entity, personnel, equipment, systems, facilities and*
38 *services necessary to operate a toll project or toll system,*
39 *including, without limitation:*

40 1. *The operation of toll facilities, toll lanes and customer*
41 *service centers; and*

42 2. *The collection of tolls.*

43 **Sec. 40.** *A governmental entity may engage in marketing,*
44 *advertising and other activities to promote the development and*
45 *use of toll projects and may enter into contracts or agreements*



1 *necessary to procure marketing, advertising or other promotional*
2 *services, except that no such promotion may be used to advocate*
3 *the approval or disapproval of a political candidate or ballot item*
4 *in any election.*

5 **Sec. 41.** 1. *Except as otherwise provided in subsection 2,*
6 *the operator of a motor vehicle, other than an authorized*
7 *emergency vehicle that is driven or towed through a toll facility,*
8 *shall pay the proper toll. The operator of a motor vehicle who*
9 *drives or tows the vehicle through a toll facility without paying the*
10 *proper toll is guilty of a misdemeanor and shall be punished by a*
11 *fine of not more than \$250.*

12 2. *Notwithstanding the provisions of subsection 1, a*
13 *governmental entity may waive the requirement of the payment of*
14 *a toll or may authorize the payment of a reduced toll for any*
15 *vehicle or class of vehicles.*

16 3. *As used in this section, "authorized emergency vehicle"*
17 *has the meaning ascribed to it in NRS 484.017.*

18 **Sec. 42.** 1. *Except as otherwise provided in subsection 4, in*
19 *the event of nonpayment of the proper toll with respect to a motor*
20 *vehicle, the registered owner of the vehicle, upon the issuance by*
21 *the governmental entity of a written notice of nonpayment, is*
22 *liable for the payment to the governmental entity of both the*
23 *proper toll and an administrative fee established by the*
24 *governmental entity. The administrative fee must be established in*
25 *an amount sufficient to allow the governmental entity to recover*
26 *its cost of collecting the unpaid toll, but must not exceed \$100.*

27 2. *The written notice of nonpayment must be sent by first*
28 *class mail to the registered owner of the vehicle at the address of*
29 *the registered owner as shown in the vehicle registration records*
30 *of the jurisdiction in which the vehicle is registered, and may*
31 *require payment not sooner than 30 days after the date the notice*
32 *was mailed.*

33 3. *Except as otherwise provided in subsection 4, a person to*
34 *whom a notice of nonpayment is sent pursuant to subsection 2*
35 *who fails to pay the proper toll and administrative fee within the*
36 *time specified by the notice of nonpayment is guilty of a*
37 *misdemeanor. Each failure to pay a toll or administrative fee*
38 *under this subsection constitutes a separate offense.*

39 4. *If the person to whom a notice of nonpayment is sent*
40 *pursuant to subsection 2 transferred ownership of the vehicle to*
41 *another person before the nonpayment occurred, and submits to*
42 *the governmental entity not later than 30 days after the date the*
43 *notice of nonpayment was mailed sufficient written proof of the*
44 *transfer, including, without limitation, the name and address of*
45 *the person to whom the vehicle was transferred:*



1 (a) *The person to whom the notice of nonpayment was sent*
2 *pursuant to subsection 2 is not liable for the payment of the proper*
3 *toll or the administrative fee; and*

4 (b) *The governmental entity may send a written notice of*
5 *nonpayment by first class mail to the person to whom ownership*
6 *of the vehicle was transferred at the address provided pursuant to*
7 *this subsection. Upon the issuance by the governmental entity of*
8 *the written notice of nonpayment, the person to whom the notice is*
9 *sent is liable for the payment to the governmental entity of both*
10 *the proper toll and the administrative fee established by the*
11 *governmental entity pursuant to subsection 1. The notice may*
12 *require payment not sooner than 30 days after the date the notice*
13 *was mailed.*

14 5. *Except as otherwise provided in subsection 6, a person to*
15 *whom a notice of nonpayment is sent pursuant to paragraph (b) of*
16 *subsection 4 who fails to pay the proper toll and administrative fee*
17 *within the time specified by the notice of nonpayment is guilty of a*
18 *misdemeanor. Each failure to pay a toll or administrative fee*
19 *under this subsection constitutes a separate offense.*

20 6. *If the person to whom a notice of nonpayment is sent*
21 *pursuant to paragraph (b) of subsection 4:*

22 (a) *Transferred ownership of the vehicle to another person*
23 *before the nonpayment occurred, and submits to the governmental*
24 *entity not later than 30 days after the date the notice of*
25 *nonpayment was mailed sufficient written proof of the transfer,*
26 *including, without limitation, the name and address of the person*
27 *to whom the vehicle was transferred:*

28 (1) *The person to whom the notice of nonpayment was sent*
29 *pursuant to paragraph (b) of subsection 4 is not liable for the*
30 *payment of the proper toll or the administrative fee; and*

31 (2) *The governmental entity may attempt to collect the*
32 *unpaid toll and administrative fee in accordance with*
33 *the provisions of subsections 4 and 5 from the person to whom the*
34 *vehicle was transferred.*

35 (b) *Submits to the governmental entity not later than 30 days*
36 *after the date the notice of nonpayment was mailed a written*
37 *affidavit attesting that he is not the owner of the vehicle,*
38 *the governmental entity shall refer the matter to the office of the*
39 *district attorney for investigation of the matter of ownership of the*
40 *motor vehicle and possible prosecution pursuant to subsection 7.*

41 7. *A person who submits to a governmental entity pursuant to*
42 *this section false information concerning his ownership of a motor*
43 *vehicle is guilty of a gross misdemeanor and shall be punished by*
44 *imprisonment in the county jail for not more than 1 year, or by a*
45 *fine of not more than \$5,000, or by both fine and imprisonment.*



1 8. A separate toll and administrative fee is required pursuant
2 to this section for each nonpayment.

3 9. A governmental entity may contract with a person to
4 collect any unpaid tolls and administrative fees.

5 **Sec. 43.** 1. Proof that a vehicle was driven or towed
6 through a toll facility without payment of the proper toll may be
7 shown by a video recording, photograph, electronic recording or
8 other appropriate evidence, including, without limitation, evidence
9 obtained by automated traffic enforcement technology.

10 2. A notice of nonpayment shall be deemed to have been
11 received on the fifth day after the date of mailing.

12 3. A computer record of this State, a governmental entity or
13 any other jurisdiction which indicates the registered owner of a
14 motor vehicle is prima facie evidence of its contents and that a
15 person was the registered owner of the vehicle when the
16 nonpayment occurred.

17 **Sec. 44.** 1. A governmental entity may insure its officers
18 and employees from liability arising from the use, operation or
19 maintenance of equipment that is used or may be used in
20 connection with the laying out, construction or maintenance of a
21 toll project.

22 2. As used in this section, "equipment" includes an
23 automobile, motor truck, trailer, aircraft, motor grader, roller,
24 tractor, tractor power mower and any other power equipment.

25 **Sec. 45.** 1. A governmental entity other than the
26 Department may, in accordance with the Local Government
27 Securities Law, issue revenue bonds or other securities
28 constituting special obligations to fund any toll project or toll
29 system which it is authorized to provide or operate pursuant to this
30 chapter. If such bonds or other securities are issued, the
31 governmental entity shall cause the creation of a special fund
32 from which, along with any reserves created, the principal and
33 interest on such bonds or other securities is exclusively payable.
34 To secure the payment of the bonds or other securities, the
35 governmental entity may pledge to set aside and pay into the
36 special fund a fixed proportion or a fixed amount of the revenues
37 from the toll project or toll system that is funded by the bonds or
38 other securities. Any such pledged fixed proportion or amount
39 constitutes a lien and charge against the revenues, subject only to
40 operating and maintenance expenses. Before pledging any
41 revenues, the governmental entity shall consider the costs of the
42 operation and maintenance of the toll project or toll system that is
43 funded by the bonds or other securities, and shall not set aside into
44 the special fund a greater amount or proportion of the revenues
45 than it determines will be available after subtracting the cost of



1 *maintenance and operation and the amount or proportion of any*
2 *revenues so previously pledged.*

3 2. *The governmental entity may provide that revenue bonds*
4 *or other securities constituting special obligations which are*
5 *payable out of the same source or sources of revenue may later be*
6 *issued on a parity with any revenue bonds or other securities*
7 *issued pursuant to subsection 1.*

8 3. *Revenue bonds and other securities issued pursuant to this*
9 *section are not an indebtedness of the governmental entity issuing*
10 *the bonds or other securities, and the interest and principal on the*
11 *bonds or other securities is only payable from the revenues*
12 *lawfully pledged to meet the principal and interest requirements*
13 *and any reserves created. The owner or bearer of a revenue bond*
14 *or other security issued pursuant to this section, or any interest*
15 *coupon pertaining thereto, does not have any claim against the*
16 *governmental entity arising from the bond or other security or*
17 *coupon except for payment from the revenues lawfully pledged to*
18 *meet the principal and interest requirements and any reserves*
19 *created. The substance of the limitations included in this*
20 *subsection must be plainly printed, written or engraved on each*
21 *bond and other security issued pursuant to this section.*

22 4. *Revenue bonds or other securities with a maturity of more*
23 *than 40 years may not be issued pursuant to this section. The*
24 *governmental entity shall by resolution determine for each*
25 *revenue bond or other security issued the amount, date, form,*
26 *terms, conditions, denominations, maximum fixed or variable*
27 *interest rate or rates, maturity or maturities, redemption rights,*
28 *registration privileges, manner of execution, manner of sale,*
29 *callable provisions, if any, and covenants, including the refunding*
30 *of existing revenue bonds or securities. Facsimile signatures may*
31 *be used on the bonds or other securities and any coupons.*
32 *Refunding revenue bonds or other securities may be issued in the*
33 *same manner as revenue bonds or other securities are issued*
34 *pursuant to this section.*

35 **Sec. 46. 1.** *The Department may request the State Board of*
36 *Finance to issue revenue bonds or other obligations constituting*
37 *special obligations of the State of Nevada to fund any toll project*
38 *or toll system which the Department is authorized to provide or*
39 *operate pursuant to this chapter. The bonds or other obligations*
40 *may be issued at one time or from time to time, and must be issued*
41 *in accordance with the State Securities Law. The bonds or other*
42 *obligations must be secured by:*

43 (a) *A pledge of the appropriate federal highway grants payable*
44 *to the State; or*



(b) *The appropriate federal highway grants payable to the State and taxes which are credited to the State Highway Fund, and must mature within not more than 40 years after their date of issuance.*

2. *The Department shall cooperate with the State Treasurer in the issuance of the bonds or other obligations and may employ any necessary legal, financial or other professional services in connection with the issuance of the bonds or other obligations.*

Sec. 47. 1. *The cost of the construction, improvement, extension or expansion of a toll project or toll system pursuant to this chapter includes the cost of:*

(a) *The actual acquisition, design, development, environmental mitigation, planning, financing, construction, improvement, extension or expansion of the toll project or toll system;*

(b) *The acquisition of real property, rights-of-way, property rights, easements and interests, including, without limitation, relocation expenses;*

(c) *The acquisition of machinery, equipment, software and intellectual property;*

(d) *Interest before, during and for 1 year after the construction, improvement, extension or expansion;*

(e) *Traffic estimates, engineering, legal and other advisory services, plans, specifications, surveys, appraisals, cost and revenue estimates, and other expenses necessary or incidental to determining the feasibility of the construction, improvement, extension or expansion;*

(f) *Necessary or incidental administrative, legal and other expenses;*

(g) *Financing; and*

(h) *Placement of the toll project or toll system in operation and expenses relating to the initial operation of the toll project or toll system.*

2. *Costs attributable to a toll project or toll system for which revenue bonds or other securities constituting special obligations are issued and which are incurred before the issuance of the bonds or other securities may be reimbursed from the proceeds of the sale of the bonds or other securities.*

Sec. 48. *The principal of, interest on, and any redemption premium on revenue bonds or other securities constituting special obligations issued pursuant to this chapter are payable from:*

1. *The revenues of the toll project or toll system for which the bonds or other securities are issued, including tolls pledged to pay the bonds or other securities;*

2. *The proceeds of the bonds or other securities;*



1 3. The amounts deposited in a debt service reserve fund as
2 required by a trust agreement securing the bonds or other
3 securities;

4 4. The amounts received under a credit agreement relating to
5 the toll project or toll system for which the bonds are issued;

6 5. Surplus revenues of another toll project or toll system, as
7 authorized; and

8 6. Amounts received by the governmental entity:

9 (a) From special purpose tax revenues;

10 (b) Under an agreement with another governmental entity
11 pursuant to this chapter;

12 (c) Under other agreements with a local government relating
13 to the toll project or toll system for which the bonds or other
14 securities are issued; and

15 (d) Under a contract for transportation services entered into
16 pursuant to NRS 408.5485.

17 **Sec. 49. 1. Revenue bonds or other securities constituting**
18 **special obligations issued pursuant to this chapter may be secured**
19 **by a trust agreement between a governmental entity and a**
20 **corporate trustee which is a trust company or a bank that has the**
21 **powers of a trust company. A trust agreement may pledge or**
22 **assign the tolls and other revenues to be received but may not**
23 **convey or mortgage any part of a toll project or toll system.**

24 2. A trust agreement may not evidence a pledge of the
25 revenues of a toll project or toll system except:

26 (a) To pay the cost of maintaining, repairing and operating the
27 toll project or toll system;

28 (b) To pay the principal of, interest on and any redemption
29 premium on the bonds or other securities as they become due;

30 (c) To create and maintain reserves for the purposes described
31 in paragraphs (a) and (b); and

32 (d) As otherwise provided by specific statute.

33 3. A trust agreement:

34 (a) Must set forth the rights and remedies of the holders of the
35 bonds or other securities and the trustee, and contain provisions
36 which the governmental entity determines are reasonable and
37 proper for the security of the holders of the bonds or other
38 securities; and

39 (b) May restrict the individual right of action of holders of the
40 bonds or other securities as is customary in trust agreements or
41 trust indentures securing corporate bonds and debentures.

42 4. The expenses incurred in carrying out a trust agreement
43 may be treated as part of the cost of operating the toll project or
44 toll system.



1 **Sec. 50.** *A governmental entity may sell any bonds or other*
2 *securities authorized pursuant to this chapter at a public or private*
3 *sale in the manner and for the price it determines to be in its best*
4 *interests.*

5 **Sec. 51.** *Notwithstanding any specific statute to the contrary,*
6 *a governmental entity is exempt from any assessment on:*

7 1. *A toll project or toll system; or*

8 2. *Property that the governmental entity acquires or uses*
9 *pursuant to this chapter.*

10 **Sec. 52.** 1. *A governmental entity may enter into an*
11 *agreement to lease, sell or transfer a toll project or toll system,*
12 *including any part of a highway that is a part of the toll project or*
13 *toll system, to any other governmental entity that has the authority*
14 *to operate a toll project or toll system.*

15 2. *The governing body of each such governmental entity must*
16 *approve the transfer of the toll project or toll system as being in*
17 *the best interests of the State and the governmental entity.*

18 3. *The agreement to lease, sell or transfer a toll project or toll*
19 *system must:*

20 (a) *Provide for the discharge and final payment or redemption*
21 *of the outstanding bonded indebtedness of the governmental entity*
22 *transferring the toll project or toll system; and*

23 (b) *Contain such other terms as the governing body of the*
24 *governmental entity transferring the toll project or toll system*
25 *deems reasonable, appropriate and in its best interests, including,*
26 *without limitation, the repayment of any expenditures for the*
27 *financing, design, development, construction, operation or*
28 *maintenance of the toll project or toll system that have not been*
29 *reimbursed with the proceeds of bonds or other securities issued*
30 *for the toll project or toll system.*

31 **Sec. 53.** 1. *A governmental entity may operate as part of a*
32 *toll project a highway or segment of a highway for the use of*
33 *which a toll is not charged, and transfer a highway or segment of*
34 *a highway to another governmental entity for operation as a toll*
35 *project, if:*

36 (a) *The highway or segment was designated as a toll project*
37 *before the contract to construct the highway or segment was*
38 *awarded;*

39 (b) *The highway or segment was designated as a toll project in*
40 *a transportation plan or program of a regional planning*
41 *commission; or*

42 (c) *The highway or segment is reconstructed so that the*
43 *number of lanes on the highway or segment for which a toll is not*
44 *charged is greater than or equal to the number of lanes on the*
45 *highway or segment before its reconstruction.*



2. A governmental entity may operate a high-occupancy toll lane only if the governmental entity allows vehicles occupied by a specified number of passengers to use the lane without paying a toll.

Sec. 54. 1. The governing body of a governmental entity may authorize the conversion of a highway or a segment of a highway for which a toll is not charged to a toll project if it determines that the conversion will improve overall mobility in the region or is the most feasible and economic means to accomplish necessary expansion, improvements or extensions of the highway system.

2. Before converting a highway or a segment of a highway to a toll project pursuant to this chapter, a governmental entity must conduct a public hearing for the purpose of receiving comments from interested persons concerning the proposed conversion. Notice of the hearing must be published in one or more newspapers of general circulation and a newspaper, if any, published in the county or counties in which the highway is located.

3. The governing body of a governmental entity shall adopt rules establishing criteria and guidelines for the approval of the conversion of a highway or a segment of a highway pursuant to this chapter.

Sec. 55. A highway or a segment of a highway may only be converted to a toll project pursuant to this chapter if the conversion is approved by:

1. The governing body of each city or county within which the highway or segment is located; and

2. A majority of the qualified voters who vote in an election and reside in:

(a) A county, if any part of the highway or segment to be converted is located in an unincorporated area of the county; or

(b) A city in which the highway or segment to be converted is wholly located.

Sec. 56. 1. Upon notification by a governmental entity of its proposed conversion of a highway or segment pursuant to this chapter, and after approval of the conversion by the appropriate governing bodies as required by section 55 of this act, each such governing body shall call a special election for the approval or disapproval of the conversion.

2. If a county or city calls a special election pursuant to this section, the county or city shall publish notice of the election in a newspaper of general circulation published in the county or city at least once each week for 3 consecutive weeks, with the first



1 *publication occurring at least 21 days before the date of the*
2 *election.*

3 *3. At a special election called pursuant to this section, the*
4 *ballots must be printed to permit voting for or against*
5 *the conversion of the highway to a toll project, and must specify*
6 *the highway or portion of the highway to be converted.*

7 *4. A notice of the election and a certified copy of the order*
8 *canvassing the election results must be sent to the Department.*

9 **Sec. 57.** *No privately owned toll project may be constructed*
10 *that connects to a road, bridge or highway in the state highway*
11 *system unless:*

12 *1. The private owner conducts a study concerning the*
13 *feasibility, route or alignment and environmental effect of the*
14 *proposed toll project and provides the results of the study to each*
15 *governmental entity with jurisdiction over the location of the*
16 *proposed toll project; and*

17 *2. Each such governmental entity approves the toll project as*
18 *provided in this chapter.*

19 **Sec. 58.** *A governmental entity:*

20 *1. Shall adopt procedural and substantive rules relating to*
21 *approval of a toll project pursuant to this chapter, including,*
22 *without limitation, rules requiring consideration of:*

23 *(a) The integration of the toll project into the state highway*
24 *system as embodied in an existing regional transportation plan,*
25 *including, without limitation, a plan developed by the regional*
26 *transportation commission, if any, of a county in which the toll*
27 *project is proposed to be located; and*

28 *(b) The potential effect of the toll project on the economy of*
29 *the region in which the toll project is located, including, without*
30 *limitation, the economy of each county in which the toll project is*
31 *proposed to be located and the economy of each city in those*
32 *counties.*

33 *2. May adopt such other rules as are necessary to carry out*
34 *the provisions of this chapter.*

35 **Sec. 59.** *NRS 408.5471 is hereby amended to read as follows:*

36 *408.5471 As used in NRS 408.5471 to 408.549, inclusive,*
37 *unless the context otherwise requires, "transportation facility"*
38 *means a road, railroad, bridge, tunnel, overpass, airport, mass transit*
39 *facility, parking facility for vehicles or similar commercial facility*
40 *used for the support of or the transportation of persons or goods,*
41 *including, without limitation, any other property that is needed to*
42 *operate the facility. [The term does not include a toll bridge or toll*
43 *road.]*



1 **Sec. 60.** NRS 338.161 is hereby amended to read as follows:
2 338.161 As used in NRS 338.161 to 338.168, inclusive, unless
3 the context otherwise requires, "transportation facility" means a
4 road, railroad, bridge, tunnel, overpass, airport, mass transit facility,
5 parking facility for vehicles or similar commercial facility used for
6 the support of or the transportation of persons or goods, including,
7 without limitation, any other property that is needed to operate the
8 facility. ~~[The term does not include a toll bridge or toll road.]~~

9 **Sec. 61.** NRS 484.313 is hereby amended to read as follows:
10 484.313 1. ~~[The Department of Transportation or a]~~ **A**
11 **governmental entity or** local authority, after considering the advice
12 of the Nevada Bicycle Advisory Board, may with respect to any
13 controlled-access highway under its jurisdiction:

14 (a) Require a permit for the use of the highway by pedestrians,
15 bicycles or other nonmotorized traffic or by any person operating a
16 power cycle; or

17 (b) If it determines that the use of the highway for such a
18 purpose would not be safe, prohibit the use of the highway by
19 pedestrians, bicycles or other nonmotorized traffic or by any person
20 operating a power cycle.

21 2. Any person who violates any prohibition or restriction
22 enacted pursuant to subsection 1 is guilty of a misdemeanor.

23 **3. As used in this section, "governmental entity" has the**
24 **meaning ascribed to it in section 4 of this act.**

25 **Sec. 62.** This act becomes effective upon passage and
26 approval.

