

CHAPTER.....

AN ACT relating to the Lake Tahoe Basin; authorizing the issuance of general obligation bonds to carry out the Environmental Improvement Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The Environmental Improvement Program was implemented in 1997 to carry out projects to improve the environment in the Lake Tahoe Basin. The costs of the Program are apportioned among the Federal Government, the States of Nevada and California and local governments and owners of private property in both States. In 1999, the Nevada Legislature authorized the issuance of not more than \$53.2 million in general obligation bonds between July 1, 2001, and June 30, 2010, to pay for a significant portion of Nevada's share of the costs of the Program. Issuance of those bonds requires the approval of the Legislature or the Interim Finance Committee. (Chapter 514, Statutes of Nevada 1999, p. 2626) This bill authorizes the issuance of the final installment of the general obligation bonds authorized by the Legislature in 1999, in the amount of \$9,057,908, to pay for Nevada's share of the costs of the Program for the period between July 1, 2007, and June 30, 2010.

WHEREAS, In October 1997, Governor Bob Miller, on behalf of the State of Nevada, signed a Memorandum of Agreement involving the Federal Interagency Partnership on the Lake Tahoe Ecosystem, the States of Nevada and California, the Washoe Tribe of Nevada and California, the Tahoe Regional Planning Agency and interested local governments, in which the parties affirmed their commitment to the Tahoe Regional Planning Compact, to the sound management and protection of the resources within the Lake Tahoe Basin and the support of a healthy, sustainable economy and to achieve environmental thresholds for Lake Tahoe, and agreed to cooperate to carry out, including, without limitation, providing financial support for, the Environmental Improvement Program; and

WHEREAS, The costs of carrying out the Environmental Improvement Program have been apportioned among the Federal Government, the States of Nevada and California and local governments and owners of private property within both States; and

WHEREAS, The cost of carrying out the Environmental Improvement Program that is apportioned to the State of Nevada and its political subdivisions is \$82,000,000; and

WHEREAS, For the period between the fiscal year beginning on July 1, 1997, and the fiscal year ending on June 30, 2001, the State of Nevada and its political subdivisions provided \$28,800,000 to meet their apportioned commitment, which included:



1. General obligation bonds issued in the face amount of \$20,000,000 pursuant to chapter 361, Statutes of Nevada 1995, at page 907, and approved by the voters of this State at the general election held in 1996, to carry out projects for the control of erosion and the restoration of natural watercourses in the Lake Tahoe Basin; and

2. General obligation bonds issued in the face amount of \$3,200,000 pursuant to chapter 514, Statutes of Nevada 1999, at page 2627, to carry out the program of environmental improvement projects for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, for the period between the fiscal year beginning on July 1, 1999, and the fiscal year ending on June 30, 2001; and

WHEREAS, Chapter 514, Statutes of Nevada 1999, created the Fund to Protect the Lake Tahoe Basin in the State General Fund, directed the Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources to administer that Fund and directed the Administrator, in cooperation with other state agencies, to coordinate the development and carrying out of a program of environmental improvement projects for the Lake Tahoe Basin; and

WHEREAS, For the period between the fiscal year beginning on July 1, 2001, and the fiscal year ending on June 30, 2010, chapter 514, Statutes of Nevada 1999, provided that money in an amount not to exceed \$53,200,000 would be made available to carry out the program of environmental improvement projects during that period by the issuance of general obligation bonds and legislative appropriation; and

WHEREAS, In addition to approximately \$1,270,000 expended for environmental improvement projects from the Account for License Plates for the Support of the Preservation and Restoration of the Natural Environment of the Lake Tahoe Basin created by NRS 321.5951, funding of Nevada's share of the costs of the Environmental Improvement Program since 1999 was provided in the form of general obligation bonds issued pursuant to:

1. Chapter 302, Statutes of Nevada 2001, at page 1428, in the face amount of \$16,200,000 to carry out the program of environmental improvement projects for the period between the fiscal year beginning on July 1, 2001, and the fiscal year ending on June 30, 2003;

2. Chapter 438, Statutes of Nevada 2003, at page 2655, in the face amount of \$9,870,000 to carry out the program of environmental improvement projects for the period between the



fiscal year beginning on July 1, 2003, and the fiscal year ending on June 30, 2005; and

3. Chapter 298, Statutes of Nevada 2005, at page 1030, in the face amount of \$16,800,000 to carry out the program of environmental improvement projects for the period between the fiscal year beginning on July 1, 2005, and the fiscal year ending on June 30, 2007; and

WHEREAS, The general obligation bonds authorized by chapter 514, Statutes of Nevada 1999, may only be issued with the prior approval of the Legislature or the Interim Finance Committee and pursuant to a schedule established by the Administrator of the Division of State Lands; now, therefore,

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

Section 1. The Legislature hereby finds and declares that the issuance of securities and the incurrence of indebtedness pursuant to this act:

1. Are necessary for the protection and preservation of the natural resources of this State and for the purpose of obtaining the benefits thereof; and

2. Constitute an exercise of the authority conferred by the second paragraph of Section 3 of Article 9 of the Constitution of the State of Nevada.

Sec. 2. Money to carry out the program of environmental improvement projects for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, in an amount not to exceed \$9,057,908 must be provided for the period between the fiscal year beginning on July 1, 2007, and the fiscal year ending on June 30, 2010, by the issuance by the State Board of Finance of general obligation bonds of the State of Nevada in a total face amount of not more than \$9,057,908 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this section must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of chapter 514, Statutes of Nevada 1999, at page 2628, and, except as otherwise provided in this section, must be used as follows:

1. Continued Implementation of Forest Restoration Projects of the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources\$1,200,000



2. Continued Implementation of Recreational Projects of the Environmental Improvement Program within the Lake Tahoe-Nevada State Park to be carried out by the State Department of Conservation and Natural Resources.....\$3,000,000

3. Water Quality, Erosion Control and Stream Restoration/Enhancement Projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements\$4,550,000

4. Contingency money to carry out any environmental improvement project that is paid for with money from the Fund to Protect the Lake Tahoe Basin\$307,908

Sec. 3. 1. The Division of State Lands of the State Department of Conservation and Natural Resources may combine the contingency money authorized pursuant to subsection 4 of section 2 of this act with any other contingency money authorized by the Legislature to carry out an environmental improvement project that is paid for with money from the Fund to Protect the Lake Tahoe Basin.

2. If an amount authorized to carry out the projects set forth in section 2 of this act or any other environmental improvement project that is paid for with money from the Fund to Protect the Lake Tahoe Basin is insufficient to allow the completion of the project for which it is authorized, including, without limitation, any monitoring necessary to ensure the continued effectiveness of the project:

(a) The Division of State Lands may, without the prior approval of the Interim Finance Committee, allocate the contingency money authorized pursuant to subsection 4 of section 2 of this act, including any money combined therewith pursuant to subsection 1, to carry out an environmental improvement project that is paid for with money from the Fund to Protect the Lake Tahoe Basin, notwithstanding the provisions of section 2 of chapter 298, Statutes of Nevada 2005, at page 1030, section 2 of chapter 438, Statutes of Nevada 2003, at page 2655, section 2 of chapter 302, Statutes of Nevada 2001, at page 1428, and subsection 2 of section 1 of chapter 514, Statutes of Nevada 1999, at page 2627; and

(b) Upon the request of the Division of State Lands, the Interim Finance Committee may increase the amount authorized for the project and offset the increase by reducing the amount authorized for another environmental improvement project or projects that are paid for with money from the Fund to Protect the Lake Tahoe Basin by the amount of the increase.

3. The Division of State Lands may use money authorized pursuant to section 2 of this act for a project other than a project



listed in section 2 of this act if the Interim Finance Committee approves such a use in writing before the Division of State Lands engages in the project.

Sec. 4. This act becomes effective on July 1, 2007.

