

SENATE BILL NO. 74—SENATOR MCGINNESS

FEBRUARY 8, 2007

Referred to Committee on Taxation

SUMMARY—Revises provisions governing expenditure of money in infrastructure fund of certain counties. (BDR 32-255)

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 infrastructure funds; specifying additional purposes for which money in the infrastructure fund of certain counties may be expended; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes counties to enact an ordinance imposing a tax for infrastructure. (NRS 377B.100) In a county whose population is less than 100,000 (currently Carson City, Elko, Douglas, Nye, Lyon, Churchill, Humboldt, White Pine, Pershing, Lander, Mineral, Lincoln, Storey, Eureka and Esmeralda Counties), the tax may be imposed on retailers at a rate of not more than one-quarter of 1 percent of gross receipts. (NRS 377B.110) The tax imposed by such counties is required to be paid to the Department of Taxation and, after an amount is deducted as compensation to the State for collecting the tax, the remainder is transferred to the county treasurer of the county from which it was collected. (NRS 377B.130) The money is then deposited in the county treasury for credit to the infrastructure fund. (NRS 377B.150) The permissible expenditures from the infrastructure fund are set forth in NRS 377B.160.

Section 1 of this bill provides that money in the infrastructure fund of such counties may also be expended for projects relating to streets and highways that are described in subsection 2 of NRS 373.028, and for the acquisition, establishment, construction, expansion, improvement or equipping of facilities relating to public safety or judicial functions.

Existing law also authorizes the board of county commissioners in such counties to issue bonds and other securities to obtain money to pay the cost of authorized projects. (NRS 377B.190) **Section 1** of this bill provides that money in



21 the infrastructure fund of such counties may also be expended for the payment of
22 principal and interest on such bonds and other securities.

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

1 **Section 1.** NRS 377B.160 is hereby amended to read as
2 follows:

3 377B.160 The money in the infrastructure fund, including
4 interest and any other income from the fund:

5 1. In a county whose population is 400,000 or more, must only
6 be expended by the water authority, distributed by the water
7 authority to its members, distributed by the water authority pursuant
8 to NRS 377B.170 to a city or town located in the county whose
9 territory is not within the boundaries of the area served by the water
10 authority or to a public entity in ~~such a~~ **the** county which provides
11 water or wastewater services and which is not a member of the
12 water authority or, if no water authority exists in the county,
13 **expended** by the board of county commissioners for:

14 (a) The acquisition, establishment, construction, improvement or
15 equipping of water and wastewater facilities;

16 (b) The payment of principal and interest on notes, bonds or
17 other securities issued to provide money for the cost of projects
18 described in paragraph (a); or

19 (c) Any combination of those purposes.

20 ➔ The board of county commissioners may only expend money
21 from the infrastructure fund pursuant to this subsection in the
22 manner set forth in the plan adopted pursuant to subsection 6 of
23 NRS 377B.100.

24 2. In a county whose population is 100,000 or more but less
25 than 400,000, must only be expended by the board of county
26 commissioners in the manner set forth in the plan adopted pursuant
27 to subsection 6 of NRS 377B.100 for:

28 (a) The acquisition, establishment, construction or expansion of:

29 (1) Projects for the management of floodplains or the
30 prevention of floods; or

31 (2) Facilities relating to public safety;

32 (b) The payment of principal and interest on notes, bonds or
33 other securities issued to provide money for the cost of projects
34 described in paragraph (a);

35 (c) The ongoing expenses of operation and maintenance of
36 projects described in subparagraph (1) of paragraph (a), if such
37 projects were included in a plan adopted by the board of county
38 commissioners pursuant to subsection 6 of NRS 377B.100 before
39 January 1, 2003; or



- 1 (d) Any combination of those purposes.
2 3. In a county whose population is less than 100,000, must only
3 be expended by the board of county commissioners in the manner
4 set forth in the plan adopted pursuant to subsection 6 of NRS
5 377B.100 for:
6 (a) The acquisition, establishment, construction, improvement or
7 equipping of:
8 (1) Water facilities; or
9 (2) Wastewater facilities;
10 (b) The acquisition, establishment, construction, operation,
11 maintenance or expansion of:
12 (1) Projects for the management of floodplains or the
13 prevention of floods; or
14 (2) Facilities for the disposal of solid waste;
15 (c) The construction or renovation of facilities for schools;
16 (d) The construction or renovation of facilities having cultural or
17 historical value;
18 (e) *Projects for the construction, maintenance or repair of*
19 *streets and highways that are described in subsection 2 of*
20 *NRS 373.028;*
21 (f) *The acquisition, establishment, construction, expansion,*
22 *improvement or equipping of facilities relating to public safety or*
23 *judicial functions;*
24 (g) The payment of principal and interest on notes, bonds or
25 other securities issued to provide money for the cost of projects,
26 facilities and activities described in paragraphs (a) to ~~(f)~~ (f),
27 inclusive; or
28 ~~(f)~~ (h) Any combination of those purposes.
29 **Sec. 2.** This act becomes effective on July 1, 2007.

