

CHAPTER.....

AN ACT relating to the Lake Tahoe Basin; authorizing the issuance of general obligation bonds to carry out a program for the protection of the Lake Tahoe Basin; extending the period for the issuance of certain bonds to carry out the 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 protect and 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 \$53.2 million in general obligation bonds between July 1, 2001, and June 30, 2007, to pay for a significant portion of Nevada's share of the costs of the Program. (Chapter 514, Statutes of Nevada 1999, p. 2628) In 2005, the Nevada Legislature extended to June 30, 2010, the deadline for the issuance of the total amount of those general obligation bonds for the Program and authorized the issuance of the final \$16.8 million of those bonds. (Chapter 298, Statutes of Nevada 2005, pp. 1032-34)

Section 3 of this bill requires the issuance of not more than \$100,000,000 in general obligation bonds to carry out the Program between July 1, 2009, and June 30, 2020. **Section 1** of this bill requires the issuance of the initial \$4.42 million of those general obligation bonds and specifies the authorized uses of that money. **Sections 7 and 8** of this bill extend to June 30, 2011, the deadline for the issuance of the remaining amount of general obligation bonds that were originally authorized in 2005.

WHEREAS, The Lake Tahoe Basin exhibits unique environmental and ecological conditions that are irreplaceable; and

WHEREAS, This State has a compelling interest in preserving, protecting, restoring and enhancing the natural environment of the Lake Tahoe Basin; and

WHEREAS, The preservation, protection, restoration and enhancement of the natural environment of the Lake Tahoe Basin is a matter of such significance that it must be carried out on a continual basis; and

WHEREAS, In October 1997, Governor Bob Miller, on behalf of the State of Nevada, signed a Memorandum of Agreement between 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 the local governments and private property owners within both states; and

WHEREAS, The cost of a continued investment in carrying out the Environmental Improvement Program for the State of Nevada and its political subdivisions is \$100,000,000 for the next 10-year period; now, therefore,

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

Section 1. Money to carry out the Environmental Improvement Program for the Lake Tahoe Basin established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627, must be provided 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 \$4,420,000 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 subsection, must be used as follows:

1. Activities related to the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

(a) Continued implementation of forest restoration projects.....	\$1,000,000
(b) Improvement of day and overnight recreational facilities	\$500,000
(c) Development of a comprehensive trail system	\$500,000
(d) Protection of sensitive species.....	\$150,000
(e) Control of invasive terrestrial and aquatic species.....	\$100,000

2. Water quality, erosion control and stream restoration and enhancement projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements \$2,000,000

3. Contingency money to carry out environmental improvement projects \$170,000



Sec. 2. 1. The Division of State Lands of the State Department of Conservation and Natural Resources may combine the contingency money authorized pursuant to subsection 3 of section 1 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 1 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 3 of section 1 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 504, Statutes of Nevada 2007, at page 2925, section 2 of chapter 298, Statutes of Nevada 2005, at page 1031, section 2 of chapter 438, Statutes of Nevada 2003, at page 2656, 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 1 of this act for a project other than a project listed in section 1 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. 3. Money to carry out the Environmental Improvement Program during the period between the fiscal year beginning on July 1, 2009, and the fiscal year ending on June 30, 2020, in an amount not to exceed \$100,000,000 must be provided 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 \$100,000,000. With the prior approval of the Legislature or the



Interim Finance Committee, the bonds may be issued from time to time pursuant to a schedule established by the Administrator of the Division of State Lands. Section 1 of this act constitutes the approval by the Legislature for the issuance of \$4,420,000 of such bonds pursuant to this section. The provisions of NRS 349.150 to 349.364, inclusive, apply to the issuance of bonds pursuant to this subsection.

Sec. 4. The amount of bonds authorized by section 3 of this act must be reduced by the amount of any money appropriated by the Legislature for the same purpose upon certification by the Administrator of the Division of State Lands of the amount of each such appropriation to the State Board of Finance. The Administrator of the Division of State Lands shall submit a request to the Legislature each biennium, as necessary, for an appropriation for the Program.

Sec. 5. The Administrator of the Division of State Lands may issue grants to or enter into agreements with state and federal agencies, local governments, nonprofit organizations and other persons or entities to carry out the program established pursuant to section 1 of chapter 514, Statutes of Nevada 1999, at page 2627. The Administrator shall adopt such regulations as are necessary for awarding the grants or entering into the agreements.

Sec. 6. The Legislature 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. 7. Section 1 of chapter 514, Statutes of Nevada 1999, as amended by section 4 of chapter 298, Statutes of Nevada 2005, at page 1033, is hereby amended to read as follows:

Section 1. 1. The Administrator of the Division of State Lands of the State Department of Conservation and Natural Resources in cooperation with other state agencies, shall coordinate the development and implementation of a program of environmental improvement projects for:

- (a) The protection and enhancement of the quality of the air and water;
- (b) The protection and restoration of natural watercourses, wetlands, wildlife habitat, fisheries, vegetation and forests;
- (c) Prevention and control of erosion; and



(d) Enhancement of recreational and tourism opportunities,

↳ in the Lake Tahoe Basin.

2. Money to carry out the program in an amount not to exceed \$3,200,000 must be provided for the period between the fiscal year beginning on July 1, 1999 and the fiscal year ending on June 30, 2001, 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 \$3,200,000 pursuant to NRS 349.150 to 349.364, inclusive. The proceeds of the bonds issued pursuant to this subsection must be deposited in the Fund to Protect the Lake Tahoe Basin created pursuant to section 2 of this act and, except as otherwise provided in this subsection, must be used as follows:

(a) Sand Harbor Visitor/Administrative Center BMPs	\$1,000,000
(b) North Canyon Hiking Trail	\$15,000
(c) Sand Harbor Erosion Control	\$100,000
(d) Upland Wildlife Habitat Enhancement	\$66,000
(e) North Canyon Old Growth Habitat Restoration	\$130,000
(f) Forest Restoration - Phase I	\$1,500,000
(g) Sand Harbor-Memorial Point Trail	\$56,000
(h) Hidden Beach Rehabilitation, BMPs	\$106,000
(i) Sugar Pine Old Growth Habitat Restoration	\$75,000
(j) Project contingency	\$152,000

↳ If an amount authorized pursuant to this subsection is insufficient to allow the completion of the project for which it is authorized, the Interim Finance Committee, upon the request of the Division of State Lands of the State Department of Conservation and Natural Resources, may increase the amount authorized for the project and offset the increase by reducing the amount authorized for another project or projects pursuant to this subsection by the amount of the increase. The Division of State Lands may use money authorized pursuant to this subsection for a project other than a project listed in this subsection if the Interim Finance Committee approves such a use in writing before the Division engages in the project. The Division of State Lands may allocate money pursuant to paragraph (j) without the prior approval of the Interim Finance Committee.

3. Money to carry out the program in an amount not to exceed \$53,200,000 must be provided for the period between



the fiscal year beginning on July 1, 2001, and the fiscal year ending on June 30, ~~2010,~~ **2011**, 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 \$53,200,000. With the prior approval of the Legislature or the Interim Finance Committee, the bonds may be issued from time to time pursuant to a schedule established by the Administrator of the Division of State Lands. The provisions of NRS 349.150 to 349.364, inclusive, apply to the issuance of bonds pursuant to this subsection.

4. The amount of bonds authorized by subsection 3 must be reduced by the amount of any money appropriated by the Legislature for the same purpose upon certification by the Administrator of the Division of State Lands of the amount of each such appropriation to the State Board of Finance. The Administrator of the Division of State Lands shall submit a request to the Legislature each biennium, as necessary, for an appropriation for the program.

5. The Administrator of the Division of State Lands may adopt such regulations as are necessary to carry out the program.

Sec. 8. Section 2 of chapter 298, Statutes of Nevada 2005, at page 1031, is hereby amended to read as follows:

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 \$16,800,000 must be provided for the period between the fiscal year beginning on July 1, 2005, and the fiscal year ending on June 30, ~~2007,~~ **2011**, 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 \$16,800,000 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. Projects of the Environmental Improvement Program to be carried out by the State Department of Conservation and Natural Resources:

- (a) Shorezone/Stream Restoration Project..... \$1,500,000
- (b) Forest Restoration Phase III \$650,000



2. Water Quality, Erosion Control and Stream Restoration/Enhancement Projects of the Environmental Improvement Program to be carried out pursuant to grants and project agreements..... \$14,000,000

3. Contingency money to carry out any environmental improvement project that is paid for with money from the Fund to Protect the Lake Tahoe Basin..... \$650,000

Sec. 9. This act becomes effective on July 1, 2009.

