

SENATE BILL NO. 201—SENATORS AMODEI, WASHINGTON,
TOWNSEND; HORSFORD, MCGINNESS, NOLAN, RAGGIO
AND SCHNEIDER

MARCH 11, 2009

JOINT SPONSORS: ASSEMBLYMEN BUCKLEY, SMITH, ATKINSON;
ANDERSON, BOBZIEN, GANSERT, LESLIE, OCEGUERA AND
PARNELL

Referred to Committee on Taxation

SUMMARY—Authorizes certain counties to impose additional
taxes on fuels for motor vehicles. (BDR 32-233)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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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 taxation; authorizing certain counties to impose
additional taxes on fuels for motor vehicles; providing for
the administration, allocation, disbursement and use of the
additional taxes; exempting the sale of revenue bonds
secured by county fuel taxes from certain requirements;
and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill carries out Washoe County Ballot Question No. RTC-5, which was
2 approved by the voters of the county at the 2008 General Election and advises the
3 Board of County Commissioners to seek state legislation to obtain additional
4 funding for transportation projects in Washoe County. In particular, **section 3** of
5 this bill authorizes the board of county commissioners of a county whose
6 population is 100,000 or more but less than 400,000 and in which a regional
7 transportation commission has been created and a county tax is imposed on motor
8 vehicle fuel (currently Washoe County only) to impose additional county taxes on
9 motor vehicle fuel and various special fuels used in motor vehicles. These taxes
10 would cause annual increases in the current amount of taxes imposed on such fuels
11 based upon increases in the Producer Price Index for Highway and Street
12 Construction, an index published by the United States Department of Labor which
13 measures inflation in the costs of such construction. **Sections 4 and 8-18** of this bill
14 require the administration, allocation, disbursement and use of these tax increases



* S B 2 0 1 *

in the same manner as certain existing fuel taxes, except that **section 8** excludes these tax increases from part of the provisions of certain interstate agreements and **section 16** requires the expenditure of part of these tax increases in accordance with priorities established in coordination and cooperation with the Nevada Department of Transportation. Additionally, **section 4** requires the annual review of these tax increases by the regional transportation commission.

Existing law authorizes the board of county commissioners of a county whose population is less than 400,000 (currently all counties other than Clark County) to impose annual increases in the amount of certain taxes imposed on motor vehicle fuel based upon increases in the Consumer Price Index. (NRS 373.065) **Sections 5 and 7** of this bill require these annual tax increases to cease upon the implementation in the county of the annual tax increases authorized by this bill. Additionally, **section 5** applies the current exemptions from fuel taxes to the tax increases authorized by this bill, other than the exemption for certain undyed special fuel which is sold or used for any purpose other than to propel a motor vehicle upon the public highways.

Section 19 of this bill exempts the sale of revenue bonds which are secured by county fuel taxes from various requirements concerning the sale of bonds by competitive bid or negotiated sale. (NRS 350.155)

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

Section 1. NRS 365.210 is hereby amended to read as follows:

365.210 1. No county, city or other political subdivision or municipal corporation may levy or collect any excise, privilege or occupation tax upon or measured by the receipt, storage, sale, distribution, transportation or use of motor vehicle fuel, fuel for jet or turbine-powered aircraft or any other inflammable or combustible liquids except:

(a) The county ~~motor vehicle fuel tax~~ **fuel taxes** authorized by chapter 373 of NRS.

(b) A tax on fuel for jet or turbine-powered aircraft authorized by NRS 365.203.

(c) A tax on aviation fuel authorized by NRS 365.203.

(d) Any motor vehicle fuel taxation in effect on January 1, 1935, in any city or town.

(e) A tax or fee imposed upon a business by a county or city that is authorized by law, except as otherwise provided in subsection 2 or pursuant to subsection 1 of NRS 364.210.

2. After March 25, 1991, no county, city or other political subdivision or municipal corporation responsible for the operation of an airport may impose a new tax or fee upon the sale or distribution of fuel for jet or turbine-powered aircraft except:

(a) A tax on fuel for jet or turbine-powered aircraft authorized by NRS 365.203.



(b) Any fuel flowage fee imposed upon aircraft or organizations servicing aircraft in lieu of rent for use of the terminal, landing fees or other airport charges.

Sec. 2. Chapter 373 of NRS is hereby amended by adding thereto the provisions set forth as sections 3, 4 and 5 of this act.

Sec. 3. 1. *Except as otherwise provided in this section, in a county whose population is 100,000 or more but less than 400,000 and in which a regional transportation commission has been created and a tax is imposed pursuant to NRS 373.030:*

(a) *The board may by ordinance impose:*

(1) *An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 4.2248 cents per gallon by the lesser of 7.8 percent or the adjusted average street and highway construction inflation index for the fiscal year in which the ordinance becomes effective; and*

(2) *An annual increase in the tax imposed pursuant to this paragraph, on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 4.2248 cents per gallon to the amount of the tax imposed pursuant to this paragraph during the preceding fiscal year, then multiplying that sum by the lesser of 7.8 percent or the adjusted average street and highway construction inflation index for the fiscal year in which the increase becomes effective.*

(b) *The board may by ordinance impose:*

(1) *An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 2.0538 cents per gallon by the lesser of 7.8 percent or the adjusted average street and highway construction inflation index for the fiscal year in which the ordinance becomes effective; and*

(2) *An annual increase in the tax imposed pursuant to this paragraph, on the first day of each fiscal year following the fiscal year in which that tax becomes effective, in the amount determined by adding 2.0538 cents per gallon to the amount of the tax imposed pursuant to this paragraph during the preceding fiscal year, then multiplying that sum by the lesser of 7.8 percent or the adjusted average street and highway construction inflation index for the fiscal year in which the increase becomes effective.*

(c) *The board may by ordinance impose:*

(1) *An excise tax on each gallon of motor vehicle fuel, except aviation fuel, sold in the county in an amount equal to the product obtained by multiplying 1.1736 cents per gallon by the lesser of 7.8 percent or the adjusted average street and highway*



1 *construction inflation index for the fiscal year in which the*
2 *ordinance becomes effective; and*

3 (2) *An annual increase in the tax imposed pursuant to this*
4 *paragraph, on the first day of each fiscal year following the fiscal*
5 *year in which that tax becomes effective, in the amount*
6 *determined by adding 1.1736 cents per gallon to the amount of the*
7 *tax imposed pursuant to this paragraph during the preceding*
8 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
9 *or the adjusted average street and highway construction inflation*
10 *index for the fiscal year in which the increase becomes effective.*

11 (d) *The board may by ordinance impose:*

12 (1) *An excise tax on each gallon of motor vehicle fuel,*
13 *except aviation fuel, sold in the county in an amount equal to the*
14 *product obtained by multiplying 10.5621 cents per gallon by the*
15 *lesser of 7.8 percent or the adjusted average street and highway*
16 *construction inflation index for the fiscal year in which the*
17 *ordinance becomes effective; and*

18 (2) *An annual increase in the tax imposed pursuant to this*
19 *paragraph, on the first day of each fiscal year following the fiscal*
20 *year in which that tax becomes effective, in the amount*
21 *determined by adding 10.5621 cents per gallon to the amount of*
22 *the tax imposed pursuant to this paragraph during the preceding*
23 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
24 *or the adjusted average street and highway construction inflation*
25 *index for the fiscal year in which the increase becomes effective.*

26 (e) *The board may by ordinance impose:*

27 (1) *An excise tax on each gallon of motor vehicle fuel,*
28 *except aviation fuel, sold in the county in an amount equal to the*
29 *product obtained by multiplying 18.455 cents per gallon by the*
30 *lesser of 7.8 percent or the adjusted average street and highway*
31 *construction inflation index for the fiscal year in which the*
32 *ordinance becomes effective; and*

33 (2) *An annual increase in the tax imposed pursuant to this*
34 *paragraph, on the first day of each fiscal year following the fiscal*
35 *year in which that tax becomes effective, in the amount*
36 *determined by adding 18.455 cents per gallon to the amount of the*
37 *tax imposed pursuant to this paragraph during the preceding*
38 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
39 *or the adjusted average street and highway construction inflation*
40 *index for the fiscal year in which the increase becomes effective.*

41 (f) *The board may by ordinance impose:*

42 (1) *An excise tax on each gallon of motor vehicle fuel,*
43 *except aviation fuel, sold in the county in an amount equal to the*
44 *product obtained by multiplying 18.4 cents per gallon by the lesser*
45 *of 7.8 percent or the adjusted average street and highway*



1 *construction inflation index for the fiscal year in which the*
2 *ordinance becomes effective; and*

3 (2) *An annual increase in the tax imposed pursuant to this*
4 *paragraph, on the first day of each fiscal year following the fiscal*
5 *year in which that tax becomes effective, in the amount*
6 *determined by adding 18.4 cents per gallon to the amount of the*
7 *tax imposed pursuant to this paragraph during the preceding*
8 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
9 *or the adjusted average street and highway construction inflation*
10 *index for the fiscal year in which the increase becomes effective.*

11 (g) *The board may by ordinance impose:*

12 (1) *An excise tax on each gallon of special fuel that consists*
13 *of an emulsion of water-phased hydrocarbon fuel sold in the*
14 *county in an amount equal to the product obtained by multiplying*
15 *19 cents per gallon by the lesser of 7.8 percent or the adjusted*
16 *average street and highway construction inflation index for the*
17 *fiscal year in which the ordinance becomes effective; and*

18 (2) *An annual increase in the tax imposed pursuant to this*
19 *paragraph, on the first day of each fiscal year following the fiscal*
20 *year in which that tax becomes effective, in the amount*
21 *determined by adding 19 cents per gallon to the amount of the tax*
22 *imposed pursuant to this paragraph during the preceding fiscal*
23 *year, then multiplying that sum by the lesser of 7.8 percent or the*
24 *adjusted average street and highway construction inflation index*
25 *for the fiscal year in which the increase becomes effective.*

26 (h) *The board may by ordinance impose:*

27 (1) *An excise tax on each gallon of special fuel that consists*
28 *of liquefied petroleum gas sold in the county in an amount equal*
29 *to the product obtained by multiplying 22 cents per gallon by the*
30 *lesser of 7.8 percent or the adjusted average street and highway*
31 *construction inflation index for the fiscal year in which the*
32 *ordinance becomes effective; and*

33 (2) *An annual increase in the tax imposed pursuant to this*
34 *paragraph, on the first day of each fiscal year following the fiscal*
35 *year in which that tax becomes effective, in the amount*
36 *determined by adding 22 cents per gallon to the amount of the tax*
37 *imposed pursuant to this paragraph during the preceding fiscal*
38 *year, then multiplying that sum by the lesser of 7.8 percent or the*
39 *adjusted average street and highway construction inflation index*
40 *for the fiscal year in which the increase becomes effective.*

41 (i) *The board may by ordinance impose:*

42 (1) *An excise tax on each gallon of special fuel that consists*
43 *of compressed natural gas sold in the county in an amount equal*
44 *to the product obtained by multiplying 21 cents per gallon by the*
45 *lesser of 7.8 percent or the adjusted average street and highway*



1 *construction inflation index for the fiscal year in which the*
2 *ordinance becomes effective; and*

3 (2) *An annual increase in the tax imposed pursuant to this*
4 *paragraph, on the first day of each fiscal year following the fiscal*
5 *year in which that tax becomes effective, in the amount*
6 *determined by adding 21 cents per gallon to the amount of the tax*
7 *imposed pursuant to this paragraph during the preceding fiscal*
8 *year, then multiplying that sum by the lesser of 7.8 percent or the*
9 *adjusted average street and highway construction inflation index*
10 *for the fiscal year in which the increase becomes effective.*

11 (j) *The board may by ordinance impose:*

12 (1) *An excise tax on each gallon of special fuel sold in the*
13 *county, other than any special fuel described in paragraph (g), (h)*
14 *or (i), in an amount equal to the product obtained by multiplying*
15 *27.75 cents per gallon by the lesser of 7.8 percent or the adjusted*
16 *average street and highway construction inflation index for the*
17 *fiscal year in which the ordinance becomes effective; and*

18 (2) *An annual increase in the tax imposed pursuant to this*
19 *paragraph, on the first day of each fiscal year following the fiscal*
20 *year in which that tax becomes effective, in the amount*
21 *determined by adding 27.75 cents per gallon to the amount of the*
22 *tax imposed pursuant to this paragraph during the preceding*
23 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
24 *or the adjusted average street and highway construction inflation*
25 *index for the fiscal year in which the increase becomes effective.*

26 (k) *The board may by ordinance impose:*

27 (1) *An excise tax on each gallon of special fuel that consists*
28 *of liquefied petroleum gas sold in the county in an amount equal*
29 *to the product obtained by multiplying 18.3 cents per gallon by the*
30 *lesser of 7.8 percent or the adjusted average street and highway*
31 *construction inflation index for the fiscal year in which the*
32 *ordinance becomes effective; and*

33 (2) *An annual increase in the tax imposed pursuant to this*
34 *paragraph, on the first day of each fiscal year following the fiscal*
35 *year in which that tax becomes effective, in the amount*
36 *determined by adding 18.3 cents per gallon to the amount of the*
37 *tax imposed pursuant to this paragraph during the preceding*
38 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
39 *or the adjusted average street and highway construction inflation*
40 *index for the fiscal year in which the increase becomes effective.*

41 (l) *The board may by ordinance impose:*

42 (1) *An excise tax on each gallon of special fuel that consists*
43 *of compressed natural gas sold in the county in an amount equal*
44 *to the product obtained by multiplying 18.3 cents per gallon by the*
45 *lesser of 7.8 percent or the adjusted average street and highway*



1 *construction inflation index for the fiscal year in which the*
2 *ordinance becomes effective; and*

3 (2) *An annual increase in the tax imposed pursuant to this*
4 *paragraph, on the first day of each fiscal year following the fiscal*
5 *year in which that tax becomes effective, in the amount*
6 *determined by adding 18.3 cents per gallon to the amount of the*
7 *tax imposed pursuant to this paragraph during the preceding*
8 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
9 *or the adjusted average street and highway construction inflation*
10 *index for the fiscal year in which the increase becomes effective.*

11 (m) *The board may by ordinance impose:*

12 (1) *An excise tax on each gallon of special fuel sold in the*
13 *county, other than any special fuel described in paragraph (k) or*
14 *(l), which is taxed by the Federal Government at a rate per gallon*
15 *or gallon equivalent of 24.4 cents or more, in an amount equal to*
16 *the product obtained by multiplying 24.4 cents per gallon by the*
17 *lesser of 7.8 percent or the adjusted average street and highway*
18 *construction inflation index for the fiscal year in which the*
19 *ordinance becomes effective; and*

20 (2) *An annual increase in the tax imposed pursuant to this*
21 *paragraph, on the first day of each fiscal year following the fiscal*
22 *year in which that tax becomes effective, in the amount*
23 *determined by adding 24.4 cents per gallon to the amount of the*
24 *tax imposed pursuant to this paragraph during the preceding*
25 *fiscal year, then multiplying that sum by the lesser of 7.8 percent*
26 *or the adjusted average street and highway construction inflation*
27 *index for the fiscal year in which the increase becomes effective.*

28 2. *A board may not adopt an ordinance authorized by this*
29 *section unless a question concerning the imposition of the tax*
30 *pursuant to this section is first approved by a majority of the*
31 *registered voters of the county voting upon the question, which the*
32 *board may submit to the voters at any general election. The*
33 *Committee on Local Government Finance shall annually provide*
34 *to each city clerk, county clerk and district attorney in this State*
35 *forms for submitting a question to the registered voters of a county*
36 *pursuant to this subsection. Any question submitted to the*
37 *registered voters of a county pursuant to this subsection must be in*
38 *the form most recently provided by the Committee on Local*
39 *Government Finance.*

40 3. *Any ordinance authorized by this section may be adopted*
41 *in combination with any other ordinance authorized by this*
42 *section, and a single ordinance may be adopted pursuant to this*
43 *section which imposes all or any combination of the taxes*
44 *authorized by this section. Upon the adoption of an ordinance*
45 *authorized by this section, no further action by the board is*



1 *necessary to effectuate the annual increases in each tax imposed*
2 *by the ordinance.*

3 *4. Any ordinance adopted pursuant to this section:*

4 *(a) Must become effective on:*

5 *(1) The first day of the first calendar quarter beginning not*
6 *less than 90 days after the adoption of the ordinance; or*

7 *(2) January 1, 2010,*

8 *↪ whichever occurs later; and*

9 *(b) Is not affected by any changes in the population of the*
10 *county which occur after the adoption of the ordinance.*

11 *5. For the purposes of this section:*

12 *(a) "Adjusted average street and highway construction*
13 *inflation index" means:*

14 *(1) For the fiscal year in which an ordinance adopted*
15 *pursuant to this section becomes effective, the percentage obtained*
16 *by adding the average street and highway construction inflation*
17 *index for that fiscal year to:*

18 *(I) If the average street and highway construction*
19 *inflation index for the preceding fiscal year is greater than 7.8*
20 *percent, the remainder obtained by subtracting 7.8 percent from*
21 *the average street and highway construction inflation index for*
22 *the preceding fiscal year; or*

23 *(II) If the average street and highway construction*
24 *inflation index for the preceding fiscal year is less than or equal to*
25 *7.8 percent, zero; and*

26 *(2) For each fiscal year following the fiscal year in which*
27 *the ordinance becomes effective, the percentage obtained by*
28 *adding the average street and highway construction inflation*
29 *index for that fiscal year to:*

30 *(I) If the adjusted average street and highway*
31 *construction inflation index for the preceding fiscal year is greater*
32 *than 7.8 percent, the remainder obtained by subtracting 7.8*
33 *percent from the adjusted average street and highway construction*
34 *inflation index for the preceding fiscal year; or*

35 *(II) If the adjusted average street and highway*
36 *construction inflation index for the preceding fiscal year is less*
37 *than or equal to 7.8 percent, zero.*

38 *(b) "Average street and highway construction inflation index"*
39 *for a fiscal year means the average percentage increase in the*
40 *street and highway construction inflation index for the 10*
41 *calendar years preceding the beginning of that fiscal year.*

42 *(c) "Special fuel" has the meaning ascribed to it in*
43 *NRS 366.060.*

44 *(d) "Street and highway construction inflation index" means*
45 *the Producer Price Index for Highway and Street Construction or,*



1 *if that index ceases to be published by the United States*
2 *Department of Labor, the published index that most closely*
3 *measures inflation in the costs of street and highway construction,*
4 *as determined by the commission.*

5 **Sec. 4. 1. Any ordinance that imposes a tax pursuant to:**

6 (a) *The provisions of paragraph (a) of subsection 1 of section*
7 *3 of this act must require the allocation, disbursement and use in*
8 *the county of the proceeds of that tax in the same proportions and*
9 *manner as the allocation, disbursement and use in the county of*
10 *the proceeds of the tax imposed pursuant to NRS 365.180.*

11 (b) *The provisions of paragraph (b) of subsection 1 of section*
12 *3 of this act must require the allocation, disbursement and use in*
13 *the county of the proceeds of that tax in the same proportions and*
14 *manner as the allocation, disbursement and use in the county of*
15 *the proceeds of the tax imposed pursuant to NRS 365.190.*

16 (c) *The provisions of paragraph (c) of subsection 1 of section 3*
17 *of this act must require the allocation, disbursement and use in the*
18 *county of the proceeds of that tax in the same proportions and*
19 *manner as the allocation, disbursement and use in the county of*
20 *the proceeds of the tax imposed pursuant to NRS 365.192.*

21 (d) *Any of the provisions of paragraphs (d) to (m), inclusive, of*
22 *subsection 1 of section 3 of this act must, except as otherwise*
23 *required by subsection 6 of NRS 373.140, require the allocation,*
24 *disbursement and use in the county of the proceeds of that tax in*
25 *the same proportions and manner as the allocation, disbursement*
26 *and use in the county of the proceeds of the tax imposed pursuant*
27 *to paragraph (b) of subsection 1 of NRS 373.030.*

28 **2. Any ordinance adopted pursuant to section 3 of this act**
29 **must:**

30 (a) *Include a provision prohibiting the imposition of any*
31 *penalties and interest for the failure to make any payments of any*
32 *tax imposed by the ordinance which become due within the initial*
33 *6 months after the ordinance becomes effective. This provision*
34 *must apply only to taxes imposed pursuant to section 3 of this act*
35 *and must not apply to any tax imposed pursuant to any other*
36 *ordinance.*

37 (b) **Require the commission:**

38 (I) *To review, at a public meeting conducted after the*
39 *provision of public notice and before the effective date of each*
40 *annual increase imposed by the ordinance:*

41 (I) *The amount of that increase and the accuracy of its*
42 *calculation;*

43 (II) *The amounts of any annual increases imposed by*
44 *the ordinance in previous years and the revenue collected*
45 *pursuant to those increases;*



1 (III) Any improvements to the regional system of
2 transportation resulting from revenue collected pursuant to any
3 annual increases imposed by the ordinance in previous years; and

4 (IV) Any other information relevant to the effect of the
5 annual increases on the public; and

6 (2) To submit to the board any information the commission
7 receives suggesting that the annual increase should be adjusted.

8 **Sec. 5. 1.** Any tax imposed pursuant to the provisions of:

9 (a) Paragraphs (a) to (f), inclusive, of subsection 1 of section 3
10 of this act does not apply to any fuel described in NRS 365.220 or
11 365.230.

12 (b) Paragraphs (g) to (m), inclusive, of subsection 1 of section
13 3 of this act does not apply to any sales or uses described in NRS
14 366.200, except to any sales or uses described in subsection 1 of
15 that section of any special fuel to which dye has not been added
16 pursuant to federal law or the law of this State, of a type which is
17 lawfully sold in this State both:

18 (1) As special fuel to which dye has been added pursuant to
19 such law; and

20 (2) As special fuel to which dye has not been added
21 pursuant to such law.

22 2. Each tax imposed pursuant to section 3 of this act is in
23 addition to any other motor vehicle fuel taxes and special fuel
24 taxes imposed pursuant to the provisions of this chapter and
25 chapters 365, 366 and 590 of NRS, except that on the effective
26 date of an ordinance adopted pursuant to:

27 (a) Paragraph (a) of subsection 1 of section 3 of this act, any
28 tax increase imposed in that county pursuant to subparagraph (2)
29 of paragraph (a) of subsection 1 of NRS 373.065 on the first day
30 of the current fiscal year, and the authority to impose any
31 additional tax increases in that county pursuant to that
32 subparagraph on the first day of each subsequent fiscal year,
33 expire by limitation.

34 (b) Paragraph (b) of subsection 1 of section 3 of this act, any
35 tax increase imposed in that county pursuant to subparagraph (2)
36 of paragraph (b) of subsection 1 of NRS 373.065 on the first day
37 of the current fiscal year, and the authority to impose any
38 additional tax increases in that county pursuant to that
39 subparagraph on the first day of each subsequent fiscal year,
40 expire by limitation.

41 (c) Paragraph (c) of subsection 1 of section 3 of this act, any
42 tax increase imposed in that county pursuant to subparagraph (2)
43 of paragraph (c) of subsection 1 of NRS 373.065 on the first day of
44 the current fiscal year, and the authority to impose any additional



1 *tax increases in that county pursuant to that subparagraph on the*
2 *first day of each subsequent fiscal year, expire by limitation.*

3 *(d) Paragraph (d) of subsection 1 of section 3 of this act, any*
4 *tax increase imposed in that county pursuant to subparagraph (2)*
5 *of paragraph (d) of subsection 1 of NRS 373.065 on the first day*
6 *of the current fiscal year, and the authority to impose any*
7 *additional tax increases in that county pursuant to that*
8 *subparagraph on the first day of each subsequent fiscal year,*
9 *expire by limitation.*

10 **Sec. 6.** NRS 373.010 is hereby amended to read as follows:

11 373.010 This chapter is known and may be cited as the County
12 ~~[Motor Vehicle]~~ Fuel Tax Law.

13 **Sec. 7.** NRS 373.065 is hereby amended to read as follows:

14 373.065 1. Except as otherwise provided in this section ~~[§]~~
15 *and section 5 of this act*, in a county whose population is less than
16 400,000:

17 (a) The board may by ordinance impose:

18 (1) An excise tax on each gallon of motor vehicle fuel,
19 except aviation fuel, sold in the county in an amount equal to the
20 product obtained by multiplying the amount of the tax imposed
21 pursuant to NRS 365.180 by the lesser of 4.5 percent or the average
22 percentage of increase in the Consumer Price Index for West Urban
23 Consumers for the preceding 5 years; and

24 (2) An annual increase in the tax imposed pursuant to
25 subparagraph (1), on the first day of each fiscal year following the
26 fiscal year in which that tax becomes effective, in an amount equal
27 to the sum of the tax imposed pursuant to NRS 365.180 and the tax
28 imposed pursuant to subparagraph (1) during the preceding fiscal
29 year, multiplied by the lesser of 4.5 percent or the average
30 percentage of increase in the Consumer Price Index for West Urban
31 Consumers for the preceding 5 years.

32 (b) The board may by ordinance impose:

33 (1) An excise tax on each gallon of motor vehicle fuel,
34 except aviation fuel, sold in the county in an amount equal to the
35 product obtained by multiplying the amount of the tax imposed
36 pursuant to NRS 365.190 by the lesser of 4.5 percent or the average
37 percentage of increase in the Consumer Price Index for West Urban
38 Consumers for the preceding 5 years; and

39 (2) An annual increase in the tax imposed pursuant to
40 subparagraph (1), on the first day of each fiscal year following the
41 fiscal year in which that tax becomes effective, in an amount equal
42 to the sum of the tax imposed pursuant to NRS 365.190 and the tax
43 imposed pursuant to subparagraph (1) during the preceding fiscal
44 year, multiplied by the lesser of 4.5 percent or the average



1 percentage of increase in the Consumer Price Index for West Urban
2 Consumers for the preceding 5 years.

3 (c) The board may by ordinance impose:

4 (1) An excise tax on each gallon of motor vehicle fuel,
5 except aviation fuel, sold in the county in an amount equal to the
6 product obtained by multiplying the amount of the tax imposed
7 pursuant to NRS 365.192 by the lesser of 4.5 percent or the average
8 percentage of increase in the Consumer Price Index for West Urban
9 Consumers for the preceding 5 years; and

10 (2) An annual increase in the tax imposed pursuant to
11 subparagraph (1), on the first day of each fiscal year following the
12 fiscal year in which that tax becomes effective, in an amount equal
13 to the sum of the tax imposed pursuant to NRS 365.192 and the tax
14 imposed pursuant to subparagraph (1) during the preceding fiscal
15 year, multiplied by the lesser of 4.5 percent or the average
16 percentage of increase in the Consumer Price Index for West Urban
17 Consumers for the preceding 5 years.

18 (d) If the board imposes a tax pursuant to paragraph (b) of
19 subsection 1 of NRS 373.030, the board may by ordinance impose:

20 (1) An excise tax on each gallon of motor vehicle fuel,
21 except aviation fuel and leaded racing fuel, sold in the county in an
22 amount equal to the product obtained by multiplying the amount of
23 the tax imposed pursuant to paragraph (b) of subsection 1 of NRS
24 373.030 by the lesser of 4.5 percent or the average percentage of
25 increase in the Consumer Price Index for West Urban Consumers
26 for the preceding 5 years; and

27 (2) An annual increase in the tax imposed pursuant to
28 subparagraph (1), on the first day of each fiscal year following the
29 fiscal year in which that tax becomes effective, in an amount equal
30 to the sum of the tax imposed pursuant to paragraph (b) of
31 subsection 1 of NRS 373.030 and the tax imposed pursuant to
32 subparagraph (1) during the preceding fiscal year, multiplied by the
33 lesser of 4.5 percent or the average percentage of increase in the
34 Consumer Price Index for West Urban Consumers for the preceding
35 5 years.

36 2. A board may not adopt any ordinance authorized by this
37 section unless:

38 (a) In a county for all or part of which a streets and highways
39 plan has been adopted as a part of the master plan by the county or
40 regional planning commission pursuant to NRS 278.150, the board
41 first:

42 (1) Imposes a tax pursuant to paragraph (b) of subsection 1
43 of NRS 373.030 at the maximum rate authorized pursuant to that
44 paragraph; or



(2) Submits to the voters of the county at a general or special election the question of whether to impose a tax pursuant to paragraph (b) of subsection 1 of NRS 373.030 at the maximum rate authorized pursuant to that paragraph; and

(b) A question concerning the imposition of the tax pursuant to this section is first approved by a majority of the registered voters of the county voting upon the question which the board may submit to the voters at any general election. The Committee on Local Government Finance shall annually provide to each city clerk, county clerk and district attorney in this State forms for submitting a question to the registered voters of a county pursuant to this paragraph. Any question submitted to the registered voters of a county pursuant to this paragraph must be in the form most recently provided by the Committee on Local Government Finance.

3. An ordinance adopted pursuant to this section in a county whose population is less than 100,000:

(a) Must be reapproved, in addition to the approval required by paragraph (b) of subsection 2, at least once every 8 years by a majority of the registered voters of the county voting on the question which the board may submit to the voters at any general election; and

(b) Expires by limitation no later than the last day of the 8th calendar year following the calendar year in which the ordinance was:

(1) Approved in accordance with paragraph (b) of subsection 2; or

(2) Most recently reapproved in accordance with this subsection,

↳ whichever occurs later.

4. Any ordinance authorized by this section may be adopted in combination with any other ordinance authorized by this section. Each tax imposed pursuant to this section is in addition to any other motor vehicle fuel taxes imposed pursuant to the provisions of this chapter and chapter 365 of NRS. Upon adoption of an ordinance authorized by this section, no further action by the board is necessary to effectuate the annual increases before the ordinance expires by limitation **or the authority to impose additional tax increases expires by limitation pursuant to section 5 of this act.**

5. Any ordinance adopted pursuant to this section must:

(a) Become effective on the first day of the first calendar quarter beginning not less than 90 days after the adoption of the ordinance; and

(b) If the board has created a regional transportation commission in the county, require the commission:



(1) To review, at a public meeting conducted after the provision of public notice and before the effective date of each annual increase imposed by the ordinance:

(I) The amount of that increase and the accuracy of its calculation;

(II) The amounts of any annual increases imposed by the ordinance in previous years and the revenue collected pursuant to those increases;

(III) Any improvements to the regional system of transportation resulting from revenue collected pursuant to any annual increases imposed by the ordinance in previous years; and

(IV) Any other information relevant to the effect of the annual increases on the public; and

(2) To submit to the board any information the commission receives suggesting that the annual increase should be adjusted.

6. Any ordinance adopted pursuant to:

(a) Paragraph (a) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.180; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to NRS 365.180 which becomes effective after the adoption of that ordinance.

(b) Paragraph (b) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.190; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to NRS 365.190 which becomes effective after the adoption of that ordinance.

(c) Paragraph (c) of subsection 1 must:

(1) Require the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to that ordinance in the same proportions and manner as the allocation, disbursement and use in the county of the proceeds of the tax imposed pursuant to NRS 365.192; and

(2) Expire by limitation no later than the effective date of any increase or decrease in the amount of the tax imposed pursuant to



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1 NRS 365.192 which becomes effective after the adoption of that
2 ordinance.

3 (d) Paragraph (d) of subsection 1 must:

4 (1) Require the allocation, disbursement and use in the
5 county of the proceeds of the tax imposed pursuant to that ordinance
6 in the same proportions and manner as the allocation, disbursement
7 and use in the county of the proceeds of the tax imposed pursuant to
8 paragraph (b) of subsection 1 of NRS 373.030; and

9 (2) Expire by limitation no later than the effective date of any
10 subsequent ordinance increasing or decreasing the amount of the tax
11 imposed in that county pursuant to paragraph (b) of subsection 1 of
12 NRS 373.030.

13 **Sec. 8.** NRS 373.070 is hereby amended to read as follows:

14 373.070 **1.** Any ~~motor vehicle~~ fuel tax ordinance enacted
15 under this chapter must include provisions in substance as follows:

16 ~~1-1~~ **(a)** A provision imposing the additional excise tax and
17 stating the amount of the tax per gallon of fuel.

18 ~~1-2~~ **(b) If the ordinance imposes a tax on motor vehicle fuel:**

19 **(I)** Provisions identical to those contained in chapter 365 of
20 NRS on the date of enactment of the ordinance, insofar as
21 applicable, except that ~~the~~:

22 **(I) The** name of the county as taxing agency must be
23 substituted for that of the State ; and ~~that an~~

24 **(II) An** additional supplier's license is not required.

25 ~~1-3~~ **(2)** A provision that all amendments to chapter 365 of NRS
26 subsequent to the date of enactment of the ordinance, not
27 inconsistent with this chapter, automatically become a part of the
28 motor vehicle fuel tax ordinance of the county.

29 **(c) If the ordinance imposes a tax on special fuel:**

30 **(1) Provisions identical to those contained in chapter 366 of**
31 **NRS on the date of enactment of the ordinance, insofar as**
32 **applicable and not inconsistent with this chapter, except that:**

33 **(I) The name of the county as taxing agency must be**
34 **substituted for that of the State;**

35 **(II) An additional special fuel supplier's license is not**
36 **required;**

37 **(III) The ordinance must not include any provisions**
38 **identical to NRS 366.175 other than the provisions relating to**
39 **auditing; and**

40 **(IV) The ordinance must include provisions which carry**
41 **out the requirements of paragraph (b) of subsection 1 of section 5**
42 **of this act and which prohibit the refund of any tax paid on any**
43 **taxable sales or uses described in that paragraph.**

44 **(2) A provision that all amendments to chapter 366 of NRS**
45 **subsequent to the date of enactment of the ordinance, not**



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1 *inconsistent with this chapter, automatically become a part of the*
2 *special fuel tax ordinance of the county.*

3 ~~[4.]~~ (d) A provision that the county shall contract before the
4 effective date of the county ~~[motor vehicle]~~ fuel tax ordinance with
5 the Department to perform all functions incident to the
6 administration or operation of the ~~[motor vehicle]~~ fuel tax ordinance
7 of the county, including, if the ordinance is enacted pursuant to NRS
8 373.065 ~~[.]~~ *or section 3 of this act*, the calculation of each annual
9 increase in the tax imposed pursuant to the ordinance.

10 2. *The provisions of this section do not subject any county*
11 *fuel taxes imposed pursuant to this chapter to the provisions of*
12 *NRS 366.175 or any agreement made pursuant thereto, except for*
13 *those provisions of NRS 366.175 and any agreement made*
14 *pursuant thereto which relate to auditing. The administration,*
15 *collection and distribution of any county fuel taxes imposed*
16 *pursuant to this chapter do not affect, and are not affected by, the*
17 *administration, collection and distribution of any fuel taxes under*
18 *any agreement made pursuant to NRS 366.175.*

19 **Sec. 9.** NRS 373.075 is hereby amended to read as follows:

20 373.075 Any ordinance amending a ~~[motor]~~ fuel tax ordinance
21 enacted pursuant to this chapter ~~[shall]~~ *must* include a provision in
22 substance that the county shall amend the contract made under
23 *paragraph (d) of* subsection ~~[4]~~ *1* of NRS 373.070 by a contract
24 made between the county and the State acting by and through the
25 Department before the effective date of such amendatory ordinance,
26 unless the county determines with the written concurrence of the
27 commission that no such amendment of the contract is necessary or
28 desirable.

29 **Sec. 10.** NRS 373.080 is hereby amended to read as follows:

30 373.080 All ~~[motor vehicle]~~ fuel taxes collected during any
31 month by the Department pursuant to a contract with a county must
32 be transmitted each month by the Department to the county and the
33 Department shall, in accordance with the terms of the contract,
34 charge the county for the Department's services specified in this
35 section and in NRS 373.070, except that in the case of a ~~[motor~~
36 ~~vehicle]~~ fuel tax imposed pursuant to NRS 373.065 ~~[.]~~ *or section 3*
37 *of this act*, the charge must not exceed 1 percent of the tax collected
38 by the Department.

39 **Sec. 11.** NRS 373.090 is hereby amended to read as follows:

40 373.090 For the purpose of each tax imposed by an ordinance
41 enacted pursuant to this chapter, ~~[motor vehicle]~~ fuel is sold at the
42 place where it is delivered into a vehicle not belonging to the seller
43 or into a stationary tank on the premises of the buyer.



1 **Sec. 12.** NRS 373.110 is hereby amended to read as follows:

2 373.110 All the net proceeds of ~~{the county motor vehicle}~~ **any**
3 **county** fuel tax:

4 1. Imposed pursuant to **the provisions of** paragraph (b) of
5 subsection 1 of NRS 373.030 , ~~{or}~~ paragraph (d) of subsection 1 of
6 NRS 373.065 **or paragraphs (d) to (m), inclusive, of subsection 1**
7 **of section 3 of this act** which are received by the county pursuant to
8 NRS 373.080 must, except as otherwise provided in NRS 373.119,
9 be deposited by the county treasurer in a fund to be known as the
10 regional street and highway fund in the county treasury, and
11 disbursed only in accordance with the provisions of this chapter.
12 After July 1, 1975, the regional street and highway fund must be
13 accounted for as a separate fund and not as a part of any other fund.

14 2. Imposed pursuant to **the provisions of** paragraph (a), (b) or
15 (c) of subsection 1 of NRS 373.065 **or paragraph (a), (b) or (c) of**
16 **subsection 1 of section 3 of this act** which are received by the
17 county pursuant to NRS 373.080 must be allocated, disbursed and
18 used as provided in the ordinance imposing the tax.

19 **Sec. 13.** NRS 373.119 is hereby amended to read as follows:

20 373.119 1. Except to the extent pledged before July 1, 1985,
21 the board may use that portion of the revenue collected pursuant to
22 the provisions of this chapter from any taxes imposed pursuant to
23 **the provisions of** paragraph (b) of subsection 1 of NRS 373.030 ,
24 ~~{or}~~ paragraph (d) of subsection 1 of NRS 373.065 **or paragraphs**
25 **(d) to (m), inclusive, of subsection 1 of section 3 of this act** that
26 represents collections from the sale of fuel for use in boats at
27 marinas in the county to make capital improvements or to conduct
28 programs to encourage safety in boating. If the county does not
29 control a body of water, where an improvement or program is
30 appropriate, the board may contract with an appropriate person or
31 governmental organization for the improvement or program.

32 2. Each marina shall report monthly to the Department the
33 number of gallons of motor vehicle fuel sold for use in boats. The
34 report must be made on or before the 25th day of each month for
35 sales during the preceding month.

36 **Sec. 14.** NRS 373.120 is hereby amended to read as follows:

37 373.120 1. No county ~~{motor vehicle}~~ fuel tax ordinance
38 ~~{shall}~~ **may** be repealed or amended or otherwise directly or
39 indirectly modified in such a manner as to impair adversely any
40 outstanding bonds issued ~~{hereunder}~~ **under this chapter** or other
41 obligations incurred ~~{hereunder,}~~ **under this chapter**, until all
42 obligations for which revenues from such ordinance have been
43 pledged or otherwise made payable from such revenues ~~{}~~ pursuant
44 to this chapter ~~{}~~ have been discharged in full, but the board may at



1 any time dissolve the commission and provide that no further
2 obligations ~~{shall}~~ *may* be incurred thereafter.

3 2. The faith of the State of Nevada is hereby pledged that this
4 chapter, NRS 365.180 to 365.200, inclusive, and 365.562, and any
5 law supplemental thereto, including without limitation, provisions
6 for the distribution to any county designated in NRS 373.030 *or*
7 *373.065 or section 3 of this act*, of the proceeds of the ~~{motor~~
8 ~~vehicle}~~ fuel taxes collected thereunder ~~{, shall}~~ *will* not be repealed
9 , ~~{nor}~~ amended or otherwise directly or indirectly modified in such
10 a manner as to impair adversely any outstanding bonds issued
11 ~~{hereunder}~~ *under this chapter* or other obligations incurred
12 ~~{hereunder}~~ *under this chapter*, until all obligations for which any
13 such tax proceeds have been pledged or otherwise made payable
14 from such tax proceeds ~~{,}~~ pursuant to this chapter ~~{,}~~ have been
15 discharged in full, but the State of Nevada may at any time provide
16 by act that no further obligations ~~{shall}~~ *may* be incurred thereafter.

17 **Sec. 15.** NRS 373.130 is hereby amended to read as follows:

18 373.130 1. Money for the payment of the cost of a project
19 within the area embraced by a regional plan for transportation
20 established pursuant to NRS 373.1161 may be obtained by the
21 issuance of revenue bonds and other revenue securities as provided
22 in subsection 2 or, subject to any pledges, liens and other
23 contractual limitations made pursuant to the provisions of this
24 chapter, may be obtained by direct distribution from the regional
25 street and highway fund, except to the extent any such use is
26 prevented by the provisions of NRS 373.150, or may be obtained
27 both by the issuance of such securities and by such direct
28 distribution, as the board may determine. Money for street and
29 highway construction outside the area embraced by the plan may be
30 distributed directly from the regional street and highway fund as
31 provided in NRS 373.150.

32 2. The board may, after the enactment of ~~{an ordinance as}~~ *any*
33 *ordinance* authorized by *the provisions of* paragraph (b) of
34 subsection 1 of NRS 373.030 , ~~{or}~~ paragraph (d) of subsection 1 of
35 NRS 373.065 ~~{,}~~ *or paragraphs (d) to (m), inclusive, of subsection*
36 *1 of section 3 of this act*, issue revenue bonds and other revenue
37 securities, on the behalf and in the name of the county:

38 (a) The total of all of which, issued and outstanding at any one
39 time, must not be in an amount requiring a total debt service in
40 excess of the estimated receipts to be derived from the taxes
41 imposed pursuant to the provisions of paragraph (b) of subsection 1
42 of NRS 373.030 , ~~{and}~~ paragraph (d) of subsection 1 of NRS
43 373.065 ~~{,}~~ *and paragraphs (d) to (m), inclusive, of subsection 1 of*
44 *section 3 of this act;*



(b) Which must not be general obligations of the county or a charge on any real estate therein; and

(c) Which may be secured as to principal and interest by a pledge authorized by this chapter of the receipts from the ~~motor vehicle~~ fuel taxes designated in this chapter, except such portion of the receipts as may be required for the direct distributions authorized by NRS 373.150.

3. A county is authorized to issue bonds without the necessity of their being authorized at any election in such manner and with such terms as provided in this chapter.

4. Subject to the provisions of this chapter, for any project authorized therein the board of any county may, on the behalf and in the name of the county, borrow money, otherwise become obligated, and evidence obligations by the issuance of bonds and other county securities, and in connection with the undertaking or project, the board may otherwise proceed as provided in the Local Government Securities Law.

5. All such securities constitute special obligations payable from the net receipts of the ~~motor vehicle~~ fuel taxes designated in this chapter except as otherwise provided in NRS 373.150, and the pledge of revenues to secure the payment of the securities must be limited to those net receipts.

6. Except for:

(a) Any notes or warrants which are funded with the proceeds of interim debentures or bonds;

(b) Any interim debentures which are funded with the proceeds of bonds;

(c) Any temporary bonds which are exchanged for definitive bonds;

(d) Any bonds which are reissued or which are refunded; and

(e) The use of any profit from any investment and reinvestment for the payment of any bonds or other securities issued pursuant to the provisions of this chapter,

➔ all bonds and other securities issued pursuant to the provisions of this chapter must be payable solely from the proceeds of ~~motor vehicle~~ fuel taxes collected by or remitted to the county pursuant to chapter 365 of NRS, as supplemented by this chapter. Receipts of the taxes levied in NRS 365.180 and 365.190 and pursuant to *the provisions of* paragraphs (a) and (b) of subsection 1 of NRS 373.065 *and paragraphs (a) and (b) of subsection 1 of section 3 of this act* may be used by the county for the payment of securities issued pursuant to the provisions of this chapter and may be pledged therefor. If during any period any securities payable from these tax proceeds are outstanding, the tax receipts must not be used directly for the construction, maintenance and repair of any streets, roads or



1 other highways nor for any purchase of equipment therefor, and the
2 receipts of the tax levied in NRS 365.190 must not be apportioned
3 pursuant to subsection 2 of NRS 365.560 unless, at any time the tax
4 receipts are so apportioned, provision has been made in a timely
5 manner for the payment of such outstanding securities as to the
6 principal of, any prior redemption premiums due in connection with,
7 and the interest on the securities as they become due, as provided in
8 the securities, the ordinance authorizing their issuance and any other
9 instrument appertaining to the securities.

10 7. The ordinance authorizing the issuance of any bond or other
11 revenue security ~~hereunder~~ *under this section* must describe the
12 purpose for which it is issued at least in general terms and may
13 describe the purpose in detail. This section does not require the
14 purpose so stated to be set forth in the detail in which the project
15 approved by the commission pursuant to subsection 2 of NRS
16 373.140 is stated, or prevent the modification by the board of details
17 as to the purpose stated in the ordinance authorizing the issuance of
18 any bond or other security after its issuance, subject to approval by
19 the commission of the project as so modified.

20 **Sec. 16.** NRS 373.140 is hereby amended to read as follows:

21 373.140 1. After the enactment of an ordinance as authorized
22 in NRS 373.030, all street and highway construction, surfacing or
23 resurfacing projects in the county which are proposed to be financed
24 from ~~a county motor vehicle~~ *any county* fuel tax imposed pursuant
25 to *the provisions of* paragraph (b) of subsection 1 of NRS 373.030 ,
26 ~~for~~ paragraph (d) of subsection 1 of NRS 373.065 *or paragraphs*
27 *(d) to (m), inclusive, of subsection 1 of section 3 of this act* must
28 first be submitted to the regional transportation commission.

29 2. If the project is within the area covered by a regional plan
30 for transportation established pursuant to NRS 373.1161, the
31 commission shall evaluate it in terms of:

32 (a) The priorities established by the plan;

33 (b) The relation of the proposed work to other projects already
34 constructed or authorized;

35 (c) The relative need for the project in comparison with others
36 proposed; and

37 (d) The money available.

38 ➔ If the commission approves the project, the board may authorize
39 the project, using all or any part of the proceeds of ~~the county~~
40 ~~motor vehicle~~ *any county* fuel tax authorized pursuant to *the*
41 *provisions of* paragraph (b) of subsection 1 of NRS 373.030 , ~~for~~
42 paragraph (d) of subsection 1 of NRS 373.065 ~~;~~ *or paragraphs (d)*
43 *to (m), inclusive, of subsection 1 of section 3 of this act*, except as
44 *otherwise required by subsection 6 or* to the extent any such use is
45 prevented by the provisions for direct distribution required by



1 NRS 373.150 or is prevented by any pledge to secure the payment
2 of outstanding bonds, other securities or other obligations incurred
3 ~~hereunder.~~ *under this chapter*, and other contractual limitations
4 appertaining to such obligations as authorized by NRS 373.160, and
5 the proceeds of revenue bonds or other securities issued or to be
6 issued as provided in NRS 373.130. Except as otherwise provided in
7 subsection 3, if the board authorizes the project, the responsibilities
8 for letting construction and other necessary contracts, contract
9 administration, supervision and inspection of work and the
10 performance of other duties related to the acquisition of the project
11 must be specified in written agreements executed by the board
12 and the governing bodies of the cities and towns within the area
13 covered by a regional plan for transportation established pursuant to
14 NRS 373.1161.

15 3. In a county in which two or more governmental entities are
16 represented on the commission, the governing bodies of those
17 governmental entities may enter into a written master agreement that
18 allows a written agreement described in subsection 2 to be executed
19 by only the commission and the governmental entity that receives
20 funding for the approved project. The provisions of a written master
21 agreement must not be used until the governing body of each
22 governmental entity represented on the commission ratifies the
23 written master agreement.

24 4. If the project is outside the area covered by a plan, the
25 commission shall evaluate it in terms of:

26 (a) Its relation to the regional plan for transportation established
27 pursuant to NRS 373.1161 if any;

28 (b) The relation of the proposed work to other projects
29 constructed or authorized;

30 (c) The relative need for the proposed work in relation to others
31 proposed by the same city or town; and

32 (d) The availability of money.

33 ➔ If the commission approves the project, the board shall direct the
34 county treasurer to distribute the sum approved to the city or town
35 requesting the project, in accordance with NRS 373.150.

36 5. In counties whose population is less than 100,000, the
37 commission shall certify the adoption of the plan in compliance with
38 subsections 2 and 4.

39 6. *The proceeds of a tax imposed pursuant to any of the*
40 *provisions of paragraphs (d) to (m), inclusive, of subsection 1 of*
41 *section 3 of this act must be expended in accordance with*
42 *priorities for projects established in coordination and cooperation*
43 *with the Department of Transportation.*



Sec. 17. NRS 373.150 is hereby amended to read as follows:

373.150 1. Any city or town whose territory is not included wholly or in part in a regional plan for transportation established pursuant to NRS 373.1161 may receive a distribution in aid of an approved construction project from the regional street and highway fund, which must not exceed the amount allocated to such city or town pursuant to subsection 2.

2. The share of revenue from the county ~~motor vehicle~~ fuel tax allocated to a city or town pursuant to subsection 1 must be in the proportion which its total assessed valuation bears to the total assessed valuation of the entire county. Any amount so allocated which is not distributed currently in aid of an approved project must remain in the fund to the credit of that city or town.

Sec. 18. NRS 373.160 is hereby amended to read as follows:

373.160 1. The ordinance or ordinances providing for the issuance of any bonds or other securities issued ~~hereunder~~ *under this chapter* payable from the receipts from the ~~motor vehicle~~ fuel excise taxes ~~herein~~ *designated in this chapter* may at the discretion of the board, in addition to covenants and other provisions authorized in the Local Government Securities Law, contain covenants or other provisions as to the pledge of and the creation of a lien upon the receipts of the taxes collected for the county pursuant to *the provisions of* paragraph (b) of subsection 1 of NRS 373.030 , ~~and~~ paragraph (d) of subsection 1 of NRS 373.065 ~~and paragraphs (d) to (m), inclusive, of subsection 1 of section 3 of this act,~~ excluding any tax proceeds to be distributed directly under the provisions of NRS 373.150, or the proceeds of the bonds or other securities pending their application to defray the cost of the project, or both such tax proceeds and security proceeds, to secure the payment of revenue bonds or other securities issued ~~hereunder.~~ *under this chapter.*

2. If the board determines in any ordinance authorizing the issuance of any bonds or other securities ~~hereunder~~ *under this chapter* that the proceeds of the taxes levied and collected pursuant to *the provisions of* paragraph (b) of subsection 1 of NRS 373.030 , ~~and~~ paragraph (d) of subsection 1 of NRS 373.065 *and paragraphs (d) to (m), inclusive, of subsection 1 of section 3 of this act* are sufficient to pay all bonds and securities, including the proposed issue, from the proceeds thereof, the board may additionally secure the payment of any bonds or other securities issued pursuant to the ordinance ~~hereunder~~ *under this chapter* by a pledge of and the creation of a lien upon not only the proceeds of any ~~motor vehicle~~ fuel tax authorized at the time of the issuance of such securities to be used for such payment in subsection 6 of NRS 373.130, but also the proceeds of any such tax thereafter authorized



1 to be used or pledged, or used and pledged, for the payment of such
2 securities, whether such tax be levied or collected by the county, the
3 State of Nevada, or otherwise, or be levied in at least an equivalent
4 value in lieu of any such tax existing at the time of the issuance of
5 such securities or be levied in supplementation thereof.

6 3. The pledges and liens authorized by subsections 1 and 2
7 extend to the proceeds of any tax collected for use by the county on
8 any ~~motor-vehicle~~ fuel so long as any bonds or other securities
9 issued ~~hereunder~~ *under this chapter* remain outstanding and are
10 not limited to any type or types of ~~motor-vehicle~~ fuel in use when
11 the bonds or other securities are issued.

12 **Sec. 19.** NRS 350.155 is hereby amended to read as follows:

13 350.155 1. Except as otherwise provided in subsection 2, a
14 municipality shall sell the bonds it issues by competitive bid if the
15 credit rating for the bonds or any other bonds of the municipality
16 with the same security, determined without regard to insurance for
17 the bonds or any other independent enhancement of credit, is rated
18 by a nationally recognized rating service as "A-," "A," "AA,"
19 "AAA," or their equivalents, 90 days before and on the day the
20 bonds are sold and:

21 (a) The bonds are general obligation bonds;

22 (b) The primary security for the bonds is an excise tax; or

23 (c) The bonds are issued pursuant to chapter 271 of NRS and are
24 secured by a pledge of the taxing power and the general fund of the
25 municipality.

26 2. The provisions of subsection 1 and NRS 350.175 and
27 350.185 do not apply to:

28 (a) Any bond which is issued with a variable rate of interest.

29 (b) A bond issue whose principal amount is \$1,000,000 or less.

30 (c) A bond issue with a term of 3 years or less.

31 (d) A bond issue for which an invitation for competitive bids
32 was issued and for which no bids were received or all bids were
33 rejected.

34 (e) Leases, contracts for purchase by installment and certificates
35 of participation if the obligations of the municipality thereunder will
36 terminate when the municipality fails to appropriate money to pay
37 that obligation for the next fiscal year.

38 (f) Economic development revenue bonds issued pursuant to the
39 city economic development revenue bond law or the county
40 economic development revenue bond law.

41 (g) Bonds sold by the municipality to:

42 (1) The United States or any agency or instrumentality
43 thereof;

44 (2) The State of Nevada;

45 (3) Any other municipality; or



(4) Not more than 10 investors , each of whom certifies that he:

(I) Has a net worth of \$500,000 or more; and

(II) Is purchasing for investment and not for resale.

(h) Bonds which require unusual methods of financing, if the chief administrative officer of the municipality certifies in writing that the proposed method of financing:

(1) Has not been used previously by any municipality in this State; and

(2) May provide a substantial benefit to the municipality.

(i) Refunding bonds, if the chief administrative officer of the municipality certifies in writing that the use of a negotiated sale may provide a substantial benefit to the municipality which would not be available if the bonds were sold by competitive bid.

(j) Bonds which are sold at a time when, because of particular conditions in the market, a negotiated sale may provide a benefit to the municipality which would not be available if the bonds were sold by competitive bid, if the chief administrative officer of the municipality so certifies in writing.

(k) Bonds which are issued pursuant to chapter 271 of NRS and are not secured by a pledge of the taxing power and general fund of the municipality.

(l) Revenue bonds which are issued pursuant to chapter 350A of NRS and are secured by a pledge of the allocable local revenues of the municipality.

(m) Revenue bonds which are sold pursuant to chapter 373 of NRS.

3. The certificate required by paragraph (h) of subsection 2 must specifically describe the proposed method of financing. The certificate required by paragraph (i) of subsection 2 must specifically describe the circumstances that may provide a substantial benefit if the refunding bonds are negotiated. The certificate required by paragraph (j) of subsection 2 must specifically describe the particular conditions in the market which indicate that a negotiated sale of the bonds may provide a benefit to the municipality. Each certificate required pursuant to subsection 2 must be submitted to the governing body of the municipality at a regularly scheduled meeting of that body and include:

(a) The estimated amount of the benefit which will accrue to the municipality.

(b) If the municipality has a financial adviser, a written report prepared by that financial adviser which specifically describes the method of sale which will be used for the proposed financing.

4. A copy of:



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(a) The certificate required by paragraph (h), (i) or (j) of subsection 2; and

(b) The report required pursuant to subsection 3, must be filed with the debt management commission of the county where the municipality is located, the county clerk and the Department of Taxation. Before entering into a contract to sell bonds, at least two-thirds of the members of the governing body of the municipality must approve the certificate.

5. If a municipality is required to sell the bonds it issues by competitive bid pursuant to the provisions of this section, it must cause an invitation for competitive bids, or notice thereof, to be published before the date of the sale in the daily or weekly version of the Bond Buyer, published at One State Street Plaza in New York City, New York, or any successor publication.

6. As used in this section, "invitation for competitive bids" means a process by which sealed bids or the reasonable equivalent thereof, as approved by the governing body of a municipality, are solicited, received and publicly opened at a specified time, place and date.

Sec. 20. The approval by the voters on November 4, 2008, of Advisory Question No. RTC-5, concerning funding for transportation, on the 2008 general election ballot for Washoe County shall be deemed to constitute approval by the voters of the imposition of any tax imposed pursuant to section 3 of this act, including the imposition of the annual increases in such tax. No other approval by the voters is required for the imposition of such tax in Washoe County, including its incorporated cities.

Sec. 21. This act becomes effective upon passage and approval.

